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CHAPTER 1:

Introduction

1.1 Background

This thesis attempts to clarify the growing importance of *public relations*, particularly the role of *relationship management*, during change in organisations. More precisely, the thesis proposes a challenge to current ways of thinking about the application of public relations and communication management during organisational change. Presented here are contrasts between systemic and process thinking about the ways that communication and relationships are managed and realised. While systemic thinking revolves around deterministic approaches to change strategy, process thinking addresses participation and complex connections between all entities within an organisation.

The basic assumption here is that changes occur in organisations because of changes in the environment. More specifically, conflicts of dynamics often arise between an organisation and different interest groups of the organisation because of uncontrolled influences from the environment. During high change situations, the different publics of the organisation become involved in the change issues and actively seek information about those issues. The amount of information in our world has increased beyond all expectations, but paradoxically, while information continues to increase, the ability to utilise that information to the benefit of organisations and their stakeholders has decreased (Lissack & Gunz, 1999). The role of the public relations practitioner has been that of strategic communication manager between an organisation and its publics (Grunig, 1992), but mostly from a structured, planned, controlled, and linear perspective. This structured approach worked when all the variables in the environment were more or less predictable and changes were evolutionary. However, current social and economic life defies all attempts to control because the environment has become too complex. The modernist approach worked well when capitalism was the driving force in organisations, but less well when the public started expecting much more in terms of the responsibilities and roles of corporations within society. Essentially, because

of revolutionary changes in the environment, and also in the expectations and behaviour of stakeholders, the role of the public relations manager has also changed. This thesis examines how the approaches of strategic communication management and public relations within changing environments have evolved in response to the complexities that organisations face in our postmodern society.

1.2 Key concepts

1.2.1 Public relations, communication management and relationship management – their role within strategic management

Grunig, Grunig and Dozier (1992, p. 4) define public relations as the "management of communication between an organisation and its publics". This definition equates public relations with communication management. A recent development in the field of public relations is that the term 'communication management' is seen as not describing the full strategic function of the field. Instead, the term 'relationship management' is becoming more widely used because it describes the study field more in terms of the organisation- public/stakeholder relationships, thereby taking the central focus away from communication (Ledingham, 2000). Dozier (1995) argues that

> *the purpose and direction of an organisation (its mission) is affected by relationships with key constituents (publics) in the organisation's environment (p. 85).*

Ledingham (2003) supports this and reasons that communication is used as a tool to achieve healthy relationships, which leads to the achievement of goals and objectives of the organisation. But the effectiveness of communication in terms of relationships lies merely in its use as a strategic tool to achieve relationship goals and objectives (Bruning & Ledingham, 2000). This shifts the domain of public relations from communication management to relationship management because the suppositions have changed, as Ledingham (2003) observes,

> *from the area of communication to one with relationships as the supposition source (p. 184).*

For these reasons, the term 'public relations' will be used in this thesis even though it is sometimes misunderstood, especially in the administrative management sciences. The term 'communication management' will also be used as it is found extensively in the public relations literature, as well as in industry. The focus of this study, however, is relationship, as according to Bruning (2000),

> *many scholars are moving towards the notion that the primary purpose of public relations is to manage the relationships between an organisation and the organisation's key publics (p. 159).*

Strategic management has also been developing alongside public relations and communication management; more specifically, the stakeholder approach to strategic management has been evolving since the mid-1980s (Harrison, 2003, p. 11; Post et al., 2002). This approach views the organisation as a network of relationships with stakeholders, and according to Post et al. (2002), this is essentially the definition of a corporation, namely, an organisation that

> *engage[s] in mobilizing resources for productive uses in order to create wealth and other benefits (and not to intentionally destroy wealth, increase risk, or cause harm) for its multiple constituents, or stakeholders (p. 17).*

Implied in this definition is that management should build a strategy around the identification of stakeholders and that they should "listen and respond to their interests and concerns" (Post et al., 2002, p. 17). When referring to 'organisations' in this study all forms of organisations are implied, including governments, companies, non-for-profits, and larger social structures.

The word 'stakeholder' was first used by Freeman (1984) in 1984 when he described stakeholders as:

> *any group or individual who can affect or is affected by the achievement of the activities of an organisation (p. 46).*

Post et al. (2002, p. 19) expand on this idea, but suggest that the definition should have a narrower scope because competitors could also be included in such a broad definition. Furthermore, they prefer to view stakeholder as individuals and groups who receive benefits from the organisation, and accept the risk of any loss incurred

by the organisation. Within public relations literature the terms 'stakeholders' and 'publics' are often used interchangeably, although Grunig & Repper (1992) and Steyn & Puth (2002) see 'publics' as being more aware and active than those stakeholders who are passive. At the same time, Grunig describes publics as "groups that affect the ability of an organisation to meet its goals" (Grunig, 1992, p. 4), which correlates with the definition of stakeholders by Freeman. For the purpose of this study the two terms will be used interchangeably as this differentiation is too subtle to have an impact on this study.

Post et al. (2002, p. 19) also support the notion that the organisation should manage their mutually beneficial relationships with stakeholders, because corporate activities depend on co-operation from all these diverse constituents. At the same time, the organisation should recognise that stakeholders have the right to expect benefits from their relationship with the organisation. Being paramount to the stakeholder approach to strategic management, this notion of mutually beneficial relationships between organisations and their stakeholders describes the function of public relations within organisations. As outlined by Grunig (2002) rather accurately:

> *The purpose of public relations is to help organisations build relationships with the publics found within several categories of stakeholders. Public relations professionals help to build relationships by facilitating communication between subsystems of the organisation and publics in and around the organisation (p. 2).*

This comparison illustrates the crucial link between these two fields of study. The relevance of communication management for strategic management will be explored in more detail further on in this study.

1.2.2 Relationships

The concept of 'relationships' have been mentioned repeatedly in the discussions of public relations, communication management and strategic management, so it needs further exploration. Relationships can be conceptualised as ***relationship antecedents*** (behavioural consequences on each other); ***maintenance strategies*** that include five dimensions (positivity, openness, assurances, networking and shared responsibility); and ***relationship outcomes*** (Grunig &

Huang, 2000, p. 34). Relationship maintenance strategies are important in terms of the strategies followed in change management and relationship outcomes pertain to the effects of the strategies. The four relational outcomes measured in this study are: ***trust***, ***control mutuality***, ***relational satisfaction*** and ***relational commitment***. The development and composition of the term 'relationships' and 'relationship management', as well as the contributions from different fields of study, will be explored in much more detail in Chapter 5.

1.2.3 Change management in organisations and public relations

The two basic approaches to change management will be elaborated in Chapter 3 because they formed the basis for the assumptions tested in this study. These approaches to change have evolved in the same way that management approaches have evolved from the mechanistic view held in the Industrial Age to a more organic epistemology; that is, when managers began to think and learn about business as organisms (Sherman & Schultz, 1998, p. 28). The traditional approaches to management correlate well with the planned approaches to change management, and emergent management styles with developing transformation approaches. Stacey (2003) views this difference in terms of the dynamics of organisations, and more specifically in terms of the

> *properties of stability and instability, predictability and unpredictability*
> *they display (p. 3).*

A further difference lies in the way that organisations work with paradoxes where some organisations approach them as though they are contradictions that need to be sorted out and managed, and others approach them as a reality that always exists. There are thus two main approaches or paradigms to organisational change management.

1.2.3.1 The planned approach to change management

The first approach is the planned approach representing a variety of models descending from the practice of Organisational Development (OD) (Burnes, 1996, p. 180; Senior, 1997, p. 258). Senior (1997, p. 227) also distinguishes between hard-systems models and soft-systems models (OD). Hard-systems change management

relates to rational-logical models where people issues are of low priority. Soft-systems models, on the other hand, refer to change models concerning organisational politics, culture and leadership; in other words, people issues.

The three most important models of the planned or OD cadre of change is the Action research model, the Three-step model and the Phases of planned change approach (Burnes, 1996, p. 179; Senior, 1997, p. 229; Genus, 1998, p. 7). Action research was designed to address social and organisational issues and involves a collective approach where all parties involved participate in the formulation of research problems, and the action taken to solve these problems. The change process thus becomes a learning process, and is a rational, systematic analysis of issues through social action.

The second model proposes that change should involve three steps of unfreezing, moving and refreezing, where old behaviour has to be discarded before new ways can be adopted successfully (Burnes, 1996, p. 182). A further elaboration of Lewin's model (Burnes, 1996) is the third model of planned change, which consists of change phases (distinct states an organisation moves through), and change process (methods to move the organisation through these states). This model concentrated mostly on structural changes.

Specific characteristics of the planned approach (OD) is that it places emphasis on processes; deals with change over a significant period of time; follows a holistic approach; encourages participation; ensures full support from top-management; and involves a facilitator that takes on the role of change agent (Senior, 1997, p. 258). These models have been criticised as too rigid; that phases cannot be distinct and chronologically ordered because of the extreme turbulence in the environment; that the emphasis is on incremental and isolated change rather than radical transformation; that reliance on management is too heavy; and one kind of change could not work for all organisations (Burnes, 1996, p. 186).

1.2.3.2 Emergent approaches to change management

The second group of approaches to change management recognises that highly dynamic environments demand more contingent methods, that are more

situational, and where change strategies can be adapted to achieve maximum fit with the ever changing environment. These approaches have been developed out of the basic disbelief in the effectiveness of the planned change approaches (Burnes, 1996, p. 187) and in dealing with the fast changing and unpredictable environments organisations are faced with (Sherman & Schultz, 1998, p. 22). According to the emergent approaches, organisations can rely less on detailed plans and projections, and develop instead an understanding of the complexities of environments and the issues concerned. Change should be linked to the reality of the changing markets, flexible boundaries and relationships with stakeholders, changing work ethics, and alterations in management controls (Burnes, 1996, p. 188). Short-term change strategies and plans yield short-term results and more instability.

In following the emergent approaches to change management, organisations will need to increase their environmental scanning abilities in order to identify issues and trends that might affect them so that decision-making processes can be adjusted accordingly (Burnes, 1996, p. 188). Management will also have to rethink and reformulate what change is all about, and not just change for the sake of change. They will have to move away from thinking in a linear and planned fashion, but and allow for unanticipated behaviours and probabilities (Sherman & Schultz, 1998, p. 22). Postmodern management is more complex and chaotic than before. Chaos theory and complexity theory are postmodern approaches have contributed as paradigms to the discipline of change management, offering alternative methodologies for traditional planned change. These approaches will be discussed in more detail in Chapter 4.

Emergent approaches to change have a few characteristics in common. Change is seen as a continuous process of learning and experimentation to adapt and align to the turbulent environment (Burnes, 1996). Small-scale changes over time can lead to larger changes in the organisations where the primary role of managers is to gather information, as well as facilitate and communicate the creation and maintenance of the organisation's vision. *Chaos* and *complexity* theories, as discussed in this thesis, do not provide simple plans and answers to change management efforts, but promote instead discourse and participation in decision-making as an ongoing and ever-emerging process (Ströh & Jaatinen, 2001). Within the emergent paradigms of change and management, the practice and thinking of

public relations will have to adjust accordingly, and new strategic interventions will have to be followed.

A first implication is the way information is managed. Traditionally, the reaction to crises and disorder was to secure and control information; however, from the emergent approaches, information should flow more freely so that systems can adapt faster to environmental changes using feedback and intelligence (Youngblood, 1997, p. 69).

A second implication for public relations, is the important obligation of relationship building in order for organisations to achieve its strategic objectives (Grunig et al., 1992, p. 11). Communication can be used strategically in order to build trust, commitment, mutual satisfaction and mutual control of relationships with all the important stakeholders of the organisation (Flower, 1993, p. 50). The quality of relationships can be increased by facilitating participation and communication in all directions and overcoming barriers to knowledge sharing (Marlow & O'Connor Wilson, 1997, p. 68).

Furthermore, traditional hierarchies and borders in organisations should be challenged in the two imminent paradigms of change and management. Kiel (cited in Evans, 1996, p. 492) proposes that the participations of citizens and customers should be encouraged to increase participation, ownership and service excellence. More strategic and improved communication can enhance these relationships with outside stakeholders and create arbitrary boundaries for the organisation (Sherman & Schultz, 1998, p. 169). Boundaries within the organisation are also broken down and a more interdisciplinary approach is followed.

Building a culture of constant, flexible change within the organisation is a further responsibility of public relations within the postmodern paradigms. Leadership should be concerned with guiding vision and values through constant communication in all directions (Wheatley, 1994, p. 64). This would imply allowing, and even facilitating, the questioning of management decisions, conflict, dialogue and debate. Participation of employees in the decision-making and driving change processes should be facilitated by providing channels to transmit, analyse and discuss change issues (Burnes, 1996, p. 194).

A further implication for public relations is the involvement in strategic planning and strategic decision-making. As environments become more turbulent and unpredictable organisations find it increasingly difficult to plan for specific outcomes. As Sherman points out,

> *Planning does not work well in relation to unanticipated behaviours because it is essentially linear (Sherman & Schultz, 1998, p. 22).*

New sciences emphasise limitless possibilities and the "process of everlasting becoming" (Sherman & Schultz, 1998, p. 23). This entails the practice of scenario planning and considering all possibilities for outcomes. In order to consider all possibilities it is necessary to have enough information from the environment.

The boundary spanning function of the communication manager is prevalent in this regard. Because the communication managers are the mediators between organisations and environments, they can assist by providing intelligence to assist in decision-making (Spicer, 1997, p. 61). By performing environmental scanning, the public relations manager can gather information that brings all the possibilities to the strategic boardroom.

1.2.4 The situational theory

The situational theory explains why and when groups of people communicate, and what the effects of communication could be for different publics (Grunig, 1992). The publics most pertinent to public relations strategies are differentiated according to the amount of responsiveness around issues regarding the organisation. During times of change, publics want to be involved and more active in the issues that influence them. They become, therefore, more prominent because of changes (Grunig, 1992, p. 18). The more relevant the problems are to these publics, the more they will become active in dealing with those issues. In other words, it is the problems that help to define the publics, rather than the publics defining the problems. When publics become involved and active they generate consequences for organisations, which is why it is important to pay attention to these publics. The most effective communication would be to be active and aware publics because they are more likely to process and seek information on issues at hand (Grunig, 1992, p. 171). When a problem is recognised (such as issues that

cause changes in environments and organisations) (Grunig, 1997), and if the constraints are low in terms of communication, a group feels very connected to a situation and start to feel that something should be done about the issue. The likelihood of processing and actively seeking information on those issues increase. Furthermore the communication effects will be strong and people will change their attitudes, beliefs and behaviour. As communication management is about the management of relationships, an assumption to be made here is that this public will thus also have a positive relationship with its organisation. It can also be derived that a positive relationship will lead to greater communication effects and a greater willingness to change. These assumptions were tested in this study.

1.3 Conceptual framework

The different classifications for research and philosophical conceptual frameworks come on different dimensions. The following dimensions will be addressed: ways of gaining knowledge, the research orientation, meta-theoretical paradigm, paradigmatic orientation and conceptual position within the field of study.

1.3.1 Philosophical assumptions underlying approaches to gaining knowledge

The first dimension is that of the philosophical assumptions underlying knowledge. According to Hudson & Ozanne (1988), Littlejohn (2002) and Griffin (2003), there are basically two categories of philosophical arguments: the traditional or positivistic ideal of theory, and the alternative paradigm or interpretive approaches. In addressing the ontological question about reality, the positivists posit an objective reality independent from those who perceive it, and thus interaction and behaviour are individualistic. In other words, human behaviour can be measured and predicted. This is a deterministic view of the nature of social beings. On the contrary, the ontological assumptions of interpretivists are that there is no single reality, but that reality is socially-constructed. Reality changes as the environment changes; and human beings actively engage in the creation of their environments through social interaction and relationships. In brief, the epistemological assumptions of the positivists are nomothetic and knowledge is

context-independent; whereas, for the interpretivists knowledge is idiographic and context-dependent.

Until recently, public relations during change has been researched and applied mainly from a practice-oriented approach. This thesis, however, aims to provide some theoretical frameworks within which public relations can be practised during times of change in organisations. In taking an interpretivist perspective, the thesis is primarily concerned with the creation of meaning through interaction and relationships in organisations. The 'truth' sought throughout is subjective and does not claim to be the 'only truth' about organisations and relationships during change. The thesis does not intend to provide answers, but aims to incite debate and discourse, and ultimately, to contribute to improving the ethical environments of organisations.

1.3.2 Research orientation

The purpose of research for the positivists is to test theory in order to predict future behaviours (Griffin, 2003) from a privileged point of observation (Hudson & Ozanne, 1988). Research is conducted according to strict protocol, and the research design is a fixed structure that allows for reliable and valid answers to research questions. The ideal for the positivists is experimental design where control is provided in order to isolate and test variables independently.

Contradictory to this, the interpretive orientation to research is interactive and co-operative, and without a privileged point of observation (Hudson & Ozanne, 1988). Interpretivists are subjectively involved in the research process, so there really is not a neutral approach to knowledge. The aim is to understand behaviours, so the interpretive research orientation is not an end in itself, but an ongoing process.

This thesis developed out of the general cynicism in industry towards interpretive approaches to change management and, in particular, the role of communication and participation. Paradoxically the aim of the thesis was an attempt to prove some interpretivist theoretical assumptions. Ironically the research design has been positivistic; namely, the isolation of variables in order to establish a cause-and-effect relationship between change strategies and the

resulting relationship outcomes between organisations and their internal publics. Nevertheless, an initial qualitative, interpretivist research approach was followed with the creation of the independent variables for the experimental design. The researcher therefore acknowledges that although strict experimental design protocols were followed, the entire setup of the experiment is ultimately subjective and value-laden, and the results are not fully confirmable.

> *In so-called "objective" research, concepts and methods are held a priori, are unknown projections of researchers' own ways of encountering the world, constitute the world as observed without ownership or critical reflection, and are not subject to the "objection" of the outside towards possible alternatively constituted worlds (Deetz, 1996, p. 193).*

So while it is advisable to follow research methodologies that are consistent with the philosophical assumptions of the researcher, nevertheless, as Hudson & Ozanne (1988) points out, "the violation of assumptions may at times lead to valuable insights" (p. 518).

In this study, interpretivist theoretical assumptions are combined with positivistic research in an effort to get a better understanding of the theory. To be true also to the conceptual position of postmodernism, no single approach can be privileged over another. The time constraints to complete this study forced the experimental design, but the results of this study should be seen as the beginning of a continuously evolving research process and investigation into change and communication in relationships. The researcher's ultimately aim is to use a diversity of research approaches and follow a dialectic alternative that, according to Hudson & Ozanne (1988),

> *seeks diversity by counterposing aspects of the different world views in the hope of resolving conflict and developing a completely new mode of understanding through the debate generated by this juxtaposing (p. 519).*

1.3.3 Meta-theoretical paradigm

Burrel & Morgan (1979) have put together a classification of sociological paradigms and identified four ways of thinking about social systems and research on change of social systems:

Figure 1-1: Research paradigms
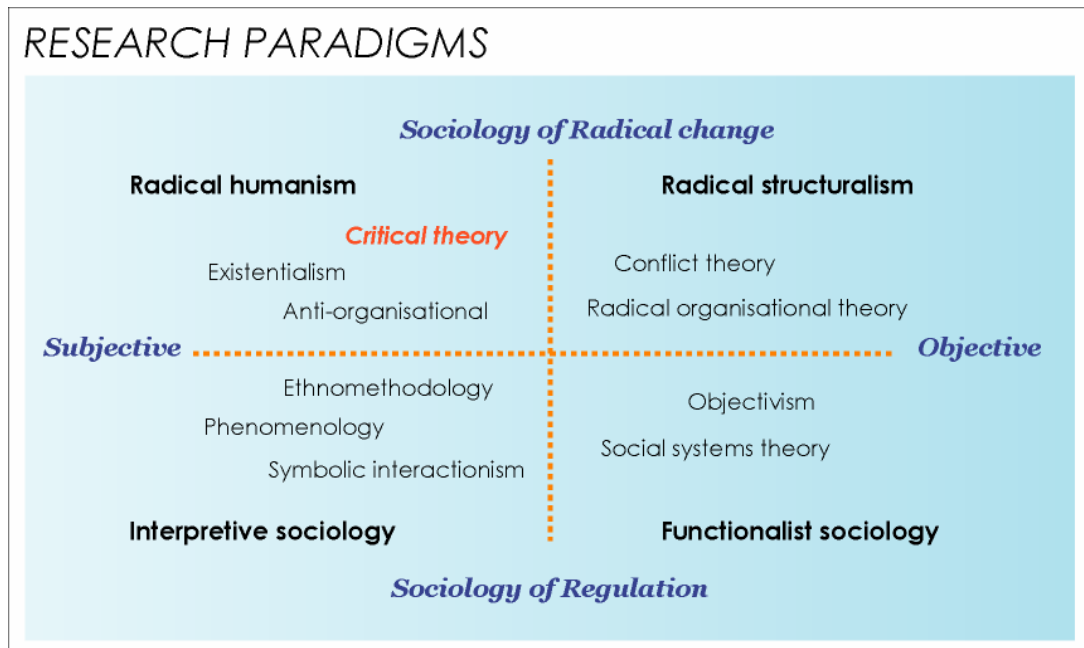
Adapted from Burrel & Morgan (1979)

The above illustration of Burrel & Morgan's (1979) classification shows the dimension of *change* versus *regulation*, and the dimension of the *subjective worldview*, that is, as opposed to *objective worldview*. *Functionalist sociology* depicts rational, deterministic and nomothetic approaches. Functionalism is highly pragmatic, rational, and where equilibrium is an important goal. The functionalists believe in social order, consensus, social integration and solidarity. *Radical structuralism* is also realistic, positivistic, deterministic and nomothetic, but they approach radical change from an objectivist point of view.

Burrel & Morgan (1979) describe the *interpretive sociological* approach as being subjective and seeking explanation within the realm of individual consciousness. Research within this approach is nominalistic, ideographic and voluntaristic. The world therefore is seen as an emergent process, and changes are regulated and controlled.

The final approach is *radical humanism* with the critical paradigm as an example where the emphasis is on overthrowing the limitation of existing social arrangements. This paradigm is nominalist, ideographic and approaches change from a somewhat radical and subjective point of view. Paul Lazarsfeld was perhaps

the first political scientist to distinguish between the administrative and critical research approaches,

> *Administrative research is designed to aid the administration of public and private programs, and critical research is designed to oppose and resist the administration of power in society (Littlejohn, 2002, p. 229).*

Critical theorists are distinctively reformist. They call for a serious transformation of Western society by specifically revealing existing power structures and the way the dominant forces are using the mass media to perpetuate their domination. Critical theorists see their activist role as instrumental to forcing changes in society by placing issues on the public agenda and getting society involved in public discourse and debate.

Burrel & Morgan's grid (1979) have been contentious and many theorists have offered some alternatives. Deetz (1996), for example, questions the use of the subjective/objective labels used in the grid of Burrel & Morgan, and points out that all research has an element of both. But he further explains that to classify research into one of these, or to make the claim that all research is both subjective and objective, is not his main concern. He questions the dualism itself as well as the underlying ontological assumptions of the so-called interpretivist and positivist worldviews. Deetz prefers to see the differences between research orientations in terms of the extent to which research would, on the one hand work within dominant structures of knowledge, social relations, and identities (consensus discourse), or on the other hand the extent to which they work towards disrupting dominating structures (dissensus discourse).

Figure 1.2 (below) illustrates Littlejohn's (2002) analysis of Mumby's (1997) conceptualisation of the critical theories in communication. Mumby (1997) has conceptualised a typology for the critical approaches and classified communication studies into *modernism* and *postmodernism*. This is not a simple dichotomy but is a continuum. The *discourse of representation* and *discourse of understanding* are modernist approaches, which distinguish between the observer and the objective world. In this sense, critical approaches are the discourses of suspicion and vulnerability, and both critical modernism and postmodernist approaches focus on oppressive structures as well as the opposition of traditional social sciences. The

function of critical approaches is to point to the contradictions that exist in society, and to engage in the discourse about these opposing forces in an effort to change the existing order (Littlejohn, 2002). Only by becoming aware that they are being dominated can individuals free themselves from domination; otherwise, they will become complacent about their own oppression.

Figure 1-2: Critical theories: communication scholarship

CRITICAL THEORIES: COMMUNICATION SCHOLARSHIP

Critical Approaches

Discourse of Representation	Discourse of Understanding	Discourse of Suspicion	Discourse of Vulnerability
Positivist modernism	Interpretive modernism	Critical modernism	Postmodernism
Distinction between observer & world	Less distinct	Structural (based on Marxism)	Post-structural
Objectivity	Reality defined through interaction	Critique of real structure outside perception	Denies existence of any true enduring social arrangement
		Focus on enduring oppressive social structures	Oppressive structures are ephemeral

Littlejohn's (2002) analysis of Mumby's (1997)

Critical theorists believe that tension, conflict and paradoxes are not negative powers that need to be eliminated; rather that only through the process of debate and discourse can issues be raised that will address domination (Littlejohn, 2002; Deetz, 1996). Diversity and tolerance for all viewpoints and voices are the ideal condition to ensure equal opportunities for all. Since no single ideology should dominate in society, critical theorists also believe that their role is to refute predominant ideologies and allow competing ideologies to be heard. An ideology for critical theorists, according to Littlejohn (2002), is

> *a set of ideas that structure a group's reality, as system of representations or a code of meanings governing how individuals and groups see the world (p. 211).*

Ideologies form peoples' consciousness through language, culture and social structures. We understand our relationship to reality through our ideologies. Critical theory resists hegemony where one ideology undermines another or where one group dominates all others.

Cilliers (1998, p. 114) calls postmodernism an "incredulity towards meta-narratives". In simple terms, this means that different groups within society take on different perspectives of reality and truth, each trying to make sense of their environment in order to achieve their goals and to make sense of what they perceive and experience. Since these paradigms or views are created out of each group's unique circumstances, it is impossible to unify these views into one single grand account or description of reality.

From the postmodern stance, complexity is an indicator that "there are more possibilities than can be actualised" (Luhmann, cited in Cilliers, 1998, p. 2). When viewed as subsystems of a complex system, the relationships formed and the creation of information and knowledge through these interactions, form the basis of the complexity approach to change management. Postmodern theorists believe that when the power that spreads throughout systems in society is challenged, transformation will take place inherently (Holtzhausen, 2000). This thesis thus comes from a critical paradigm and metatheoretical perspective of postmodernism, drawing mainly from chaos and complexity theories (more details in Chapter 4), even though the research design follows a very positivistic approach. Different research approaches have different goals and ontological assumptions, and thus require different forms of evaluation (Deetz, 1996). This thesis needed to show a causal relationship between an interpretive, critical, postmodern participative approach to organisational management and change and the resultant relationship outcomes between employees and their employers. This paradoxically thus led to a positivistic, functionalist research design within a radical humanist, postmodern, dialogical metatheoretical approach.

Figure 1-3: Paradigmatic orientation & conceptual position within the field of study
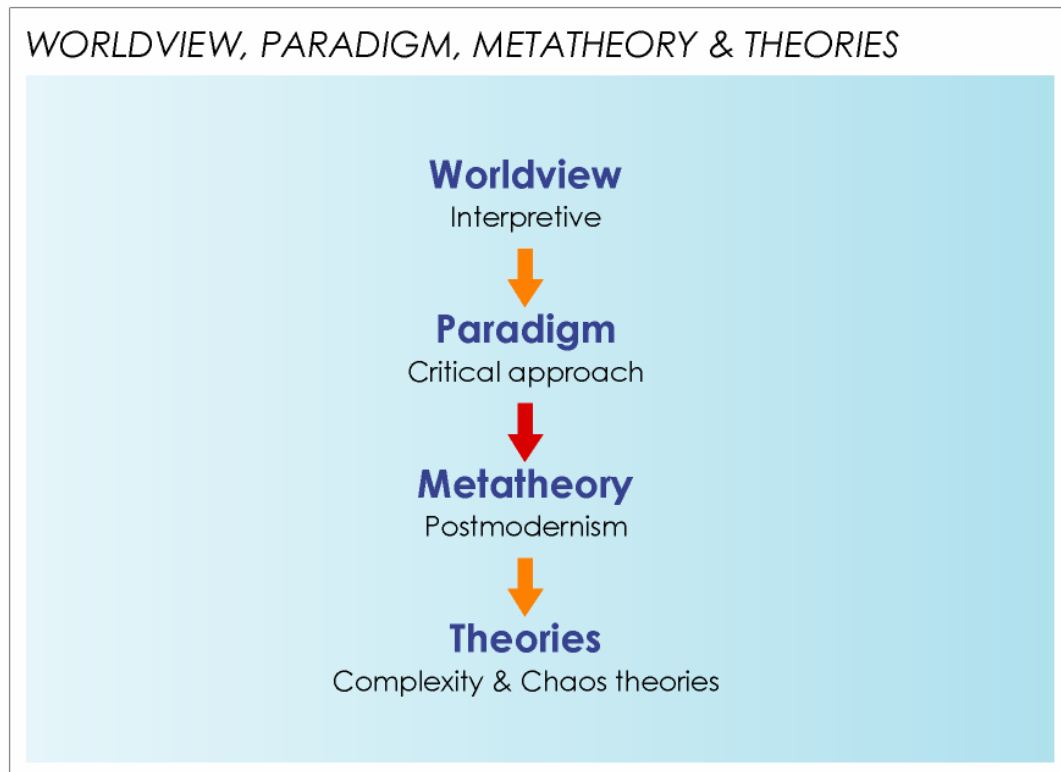
1.4 Research statement and objectives

1.4.1 Research statement

An experimental study of:

> (1) the connection between the communication management strategy followed during change in organisations and the relationship and behavioural effects on internal stakeholders (employees); and

> (2) the effects of the communication management strategy followed during high change on relationships and behaviours with the internal stakeholders (employees).

1.4.2 Research objectives

The main research objective of this study was to ascertain the relational, communication and behavioural outcomes of different communication strategies during change in organisations.

The secondary research objectives were:

(1) To compare the different communication strategies followed in order to establish a causal relationship between:

  (i) the strategy and the relationship between the organisation and its publics; and

  (ii) the strategy and the change effects achieved.

(2) To establish a strategic communication management strategy that builds positive relationships with publics, thus achieving the desired change effects during high change.

1.4.3 Research propositions and hypotheses

Table 1-1: Summary of research propositions that lead to the hypotheses

High participatory communication and change strategy will lead to:		
P1	=	high trust
P2	=	high control mutuality
P3	=	high commitment
P4	=	high satisfaction with the relationship
P5	=	positive goal attainment and change behavioural effects
Low participatory planned change and one-way communication strategy will lead to:		
P6	=	low trust
P7	=	low control mutuality
P8	=	low commitment
P9	=	low satisfaction with the relationship
P10	=	negative goal attainment and change behavioural effects
P11	=	High degree of participation during high change in organisations will lead to significantly more positive relationship between an organisation and its publics than with lower degrees of participation and a planned approach
P12	=	High degree of participation during high change in organisations will be significantly more effective in terms of the desired behavioural transformational effects achieved than in low participation scenarios.

1.5 Research design and methodology

The research design was executed in two broad phases, namely the exploratory phase (literature and qualitative phase) and the descriptive-empirical phase. The research methodology is discussed in more detail in Chapter 6.

1.5.1 Exploratory phase

A literature review provided background information on all related theories and data relevant to the study in question. The exploratory phase of the project involved qualitative testing of the constructs used in the questionnaire, and the qualitative and quantitative pre-testing of the questionnaire. The information obtained from this phase was used to construct the final questionnaire.

1.5.2 Descriptive empirical phase

After completion of the exploratory phase, the descriptive empirical phase of the research followed which involved the sampling frame of the research and physical data collection.

1.5.2.1 Measures

A randomised block design was used with projective scenarios involving a mixed, two-factor experiment with repeated measure variables. Data collection was conducted in 9 different organisations, representing different fields of enterprises and state organisations. The independent randomised block variables on the change strategy were operationalised by 2 scenarios:

> (1) **Scenario A:** a planned, low participatory approach using existing literature on communication and change management; and

> (2) **Scenario B:** a flexible, high participatory approach using chaos and complexity theories.

The two scenarios of change were treated as fixed variables in the organisations selected (refer to Table 1.3). This also ensured that the independent variable did not rely merely on a single stimulus, thus minimising experimental error (McGuigan, 1990, p. 232).

The randomised block variable of the communication strategy followed was based on a situational theory of Grunig (1997), and on other literature on change approaches and the resulting effects. This variable was treated as a repeated measure where respondents received the 2 projected scenarios. The dependent

variable measure consisted of a battery of statements operationalised through selected existing literature on relationships with publics and behavioural and change effects.

The independent variables in this study, which were the two change scenarios, were pre-tested both qualitatively and quantitatively for manipulation success. The use of focus groups and manipulation check were used to test the wording of the scenarios of the independent variables in order to ensure that these variables actually operated in the study.

The dependent variables were measured using an itemised questionnaire, where two change and participation scenarios were given to the respondents before they completed the questionnaire. The questionnaire used the relationship scale distributed by The Institute of Public Relations (Hon & Grunig, 1999) as basis for measuring relationships internally, as well as relationships with external stakeholders. The measuring instrument consisted of 21 items measuring ***trust*** (six items), ***control mutuality*** (five items), ***commitment*** (five items), and ***satisfaction*** (five items). Seven manipulation check items were used after each relationship measure of a scenario to ascertain the effectiveness of the explanations of each scenario. This was followed by some classification questions, of which some were used as control measures for extraneous variables.

Figure 1-4: Research questions, constructs and measures
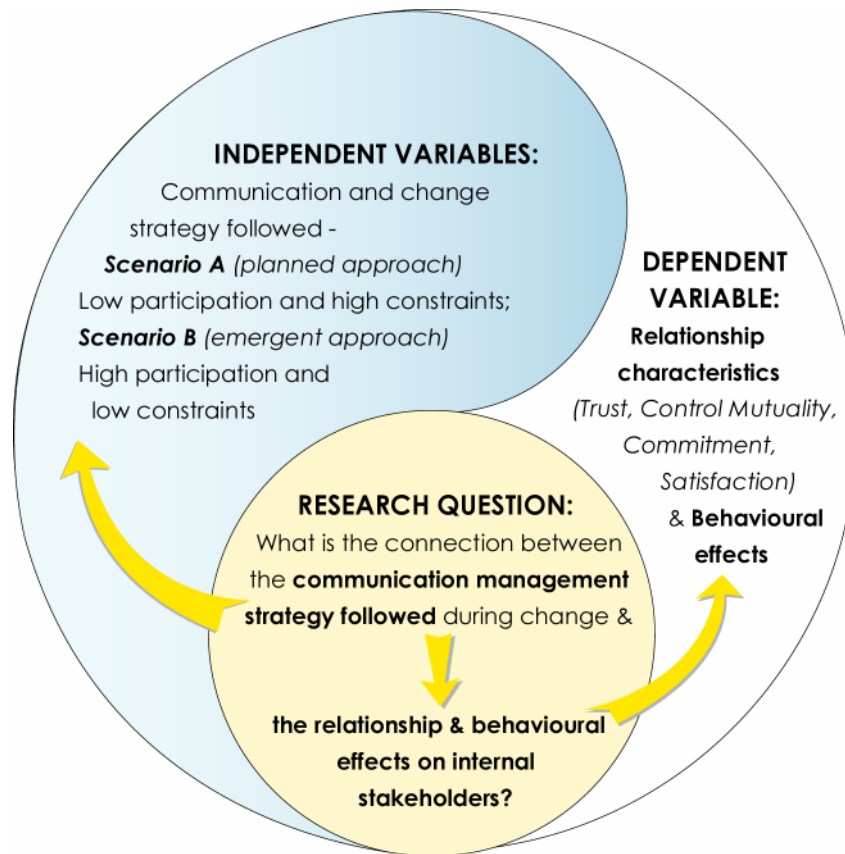
1.5.2.2 Data collection

Nine organisations were used from different industries and sectors, and the experimental subjects consisted of 10 to 37 employees from each organisation. Because of the experimental design being used no sampling methods were necessary; that is, the subjects available were used instead, keeping in mind a responsible distribution of respondents. Each employee evaluated the two different scenarios, which resulted in, more or less, 372 evaluations in total (some questionnaires were not fully completed). The questionnaires were distributed evenly between levels from upper management to non-managerial levels in each organisation. The scenarios were concerned with changes in general and about various issues.

1.5.2.3 Data processing

Questionnaires were distributed to the employees of the organisations involved. Available employees completed the measuring instrument and they were returned,

recorded, coded, and data analysis was conducted to ensure reliability and validity of the methodology and the data

The data was captured using Microsoft Excel, and this data file was exported to a statistical software package (Statistica) for analysis. ANOVA, MANOVA, correlations and cross-tabulations were performed on the data.

1.5.2.4 Data analysis and statistical analysis

Reliable and valid scientifically acceptable methods were used in this study. The most important of these methods are as follows:

1.5.3 Reliability analysis

Reliability refers to consistency and the extent to which the same results would be obtained if the measure was repeated. This has to do with the accuracy and precision at which the measurement procedure is performed (Cooper & Schindler, 1998, p. 148).

Cronbach's Alpha reliability test was used to establish the internal consistency of the measurement instrument. Cronbach's Alpha is best suited to a multi-item scale with the interval level of measurement such as was used in this questionnaire (Cooper & Schindler, 1998, p. 173). The reliability analysis was used in this case to indicate whether the questionnaire was reliable to test relationships between the employees and the organisations in the scenarios.

1.5.4 Analysis of construct validity

Cooper & Schindler (1998, p. 149) describe validity as the extent to which differences found in the research reflect true differences among respondents. The extent to which a measurement instrument actually measures what it sets out to measure determines the internal validity of the instrument.

A principal component factor analysis was performed on the results obtained in this study in order to determine to what extent the instrument measured what it was intended to measure. A satisfactory factor solution would imply a high possibility that the instrument was measuring what it set out to measure.

1.5.5 ANOVA and MANOVA

ANOVA is useful for studies involving two or more groups in determining whether there are significant differences between two or more means at a selected probability level (Gay & Diehl, 1992). MANOVA is an extension of ANOVA. It is used when a study involves more than one dependent variable and one or more independent variables. These techniques were used to determine if significant differences existed between variables, and for hypotheses testing purposes.

1.6 Advantages and limitations

The importance of this study for public relations lies in the fact that practitioners are more likely to play a managerial and strategic role in an organisation during times of instability. When the organisation is threatened by environmental changes, such as a crisis or competition as a result of information technology development or increased customer demands on service and product innovation, the need for communication increases (Grunig, 1992, p. 344). The role of the public relations or communication manager as part of top management and strategic decision-making is becoming increasingly important as organisations are redesigning to become more open and their structures more horizontal in order to adjust to fast changing environments in the Communication Age (Gouillart & Kelly, 1995). Successful organisations use the potential of communication management to assist in transformation and the relationships with the environment (Dozier et al., 1995, p. 126).

This study departs from other studies in this field because it concentrates specifically on the communication strategies during change within the framework of chaos and complexity theories. Previous studies have either ignored the importance of strategic communication as a contribution to successful change, or communication was only seen as a tool in changing culture, which is one of the many stages of transformation (Gouillart & Kelly, 1995).

This study does not focus on management functions other than communication management because the study intends to research specifically the contribution of communication management and public relations to change

management in organisations. At the same time, it does not intend to deny the importance of other management functions in change management. Chaos theory, complexity theory and other postmodern approaches to social sciences and administrative management are applied, and the epistemological, ontological and methodological approach to this study is within this framework.

The findings in this study could contribute to the body of knowledge in public relations and change management in stressing the importance of scenario planning and participation. Furthermore, the study supports the use of a model for transformation communication, which allows communication to become part of an organisation's overall strategic process. Communication consultants have here a different approach of how communication should contribute to transformation, and how it connects to an emerging business strategy of the organisation. There are also some guidelines for communication management teachers for addressing the direction and motivation of strategic transformation management, and the role of public relations within the chaos management paradigm.

This study makes a further contribution in the methodology used for change management and public relations. There is little evidence of the use of experimental design for change management and less so on the influence of communication management as a facilitator in the process of change. The use of experimental design is not a common strategy in basic public relations research, and should provide interesting possibilities for future research.

1.7 Chapter index

This study consists of eight chapters. Chapter 1 is a general introduction explaining the basic background and problem statement leading up to the research question and objectives, conceptualisation and methodology followed in this study.

Chapters 2 and 3 focus on strategic management and transformation, as well as the different approaches to change in organisations. Chapter 4 examines the theoretical concepts of postmodernism, chaos and complexity theories with reference to change. Chapter 5 explores relationship management and communication management with specific references to the previous two chapters.

Chapter 6 discusses the motivation for the research design as well as a systematic and comprehensive explanation of the procedures followed. Chapter 7 presents the data analyses performed and the results. Chapter 8 concludes with interpretations of the results and recommendations for further research.

1.8 Frameworks

Figure 1-5: Outlines of thesis chapters

CHAPTER 1: INTRODUCTION → INTERPRETIVE APPROACH → CRITICAL PARADIGM → POSTMODERNISM → CHAOS AND COMPLEXITY THEORIES → RELATIONSHIP MANAGEMENT

Background

Key concepts

Conceptual framework

Research statement,
objectives, design
& methodology

Findings, Conclusions & Implications

CHAPTER 2: STRATEGIC MANAGEMENT & CHANGE

CHAPTER 3: APPROACHES TO CHANGE MANAGEMENT

CHAPTER 4: EMERGENT APPROACHES

CHAPTER 5: RELATIONSHIPS & RELATIONSHIP MANAGEMENT

CHAPTER 6: METHODOLOGY

CHAPTER 7: FINDINGS

CHAPTER 8: CONCLUSIONS & FURTHER RESEARCH

Change, transformation & organisational development
Developments of thoughts on strategic management & change management

Traditional approaches to change management
Limitations of the planned approach to strategic management & change management
Emergent approaches to change management
Variables that may influence the change process

Critical theories of organisations
Postmodernism
Complexity theory
Chaos theory & chaotic concepts
Similarities between postmodernism, chaos & complexity theories

'Relationships' in relationship management
Strategic management & relationship management
From strategic communication management to strategic relationship management
Applications & implications of postmodern approaches
Role of relationship manager & other leadership roles

Research problems & research objectives
Theory of hypothesis testing
Research design
Questionnaire design
Sampling method, sample size & data collection
Data processing
Hypotheses operationalisation
Data analysis & statistical techniques

Research findings
Descriptive statistics
Hypothesis testing results

A personal observation
Main findings of this study
Managerial recommendations
Limitations of this study
Recommendations for further research

METHODOLOGY & THEORY LINK

	Independent variables		Dependent variable	
Change management	Planned approach *Scenario A*	Emergent approach *Scenario B*	Relationships	Validity & reliability testing

Figure 1-6: Themes across chapters

CHAPTER 1: INTRODUCTION

Background & problem statement

Key concepts

Conceptual framework

Research statement, objectives, design & methodology

Advantages & Limitations

CHAPTER 2: PLANNED CHANGE & STRATEGIC MANAGEMENT

CHAPTER 3: APPROACHES TO CHANGE MANAGEMENT

CHAPTER 4: EMERGENT APPROACHES

CHAPTER 5: RELATIONSHIPS & RELATIONSHIP MANAGEMENT

CHAPTER 6: METHODOLOGY

CHAPTER 7: FINDINGS

CHAPTER 8: CONCLUSIONS & FURTHER RESEARCH

Strategic planning *versus* strategic thinking

Limitations of **planned approach** to **strategic management** & **change**

Strategic management & **relationship management**

Measurement of **relationships** from a **communication management** perspective

Relationship scale dimension reliability analysis

Participation

Relationship building

Self-organisation in complexity theory

Stakeholder theory of **strategic management**

Self-renewal & **self-organisation** from the **chaos theory** perspective

From **strategic communication management** to **strategic relationship management**

Connectivity & relationships

Change communication

Participative leadership & importance of **dialogue**

Change, transformation, postmodernism & public relations

From **strategic planning** to **scenario planning**

Test for **variables influencing relationships**

Test for **variables influencing relationships**

Public relations theory of **relationship management**

Variables influencing change processes

Applications of **emergent approaches** in **public relations** & **change management**

Interdependence, **participation** & **relationships**

CHAPTER 2:

Strategic Management and Change

2.1 Introduction

The focus of this study is on how communication should be applied and managed in times of change in organisations. However, before suggesting communication management strategies for change, it will be necessary to explore the concepts of *change* and *change management*. Since change management strategies are directly influenced by principles of *strategic management* (Burnes, 1996, p. 192), principles of strategic management will be explored extensively in this chapter so that concurrent views and developments in change management can be demonstrated. To be followed later on in Chapter 3 are outlines of the various change management strategies and approaches, specifically with reference to *communication management*.

2.2 Change, transformation and organisational development

2.2.1 Change and transformation

Change is phrased quite effectively by Kanter et al. (1992) as

> the shift in behaviour of the whole organisation, to one degree or another (p. 11).

Senge et al. (1999, p. 14) refer to change as the way an organisation adapts internally to the changes in the environment. In these senses, change is not something that just happens, but must be planned in a proactive and purposeful way to keep an organisation current and viable (Robbins, 1990, p. 383). As Kanter et al. (1992, p. 11) point out, if a change does not occur in character, it will be cosmetic and short-lived, and therefore will not have the desired effects. Change with alteration in conduct is *transformation*. But, change without alteration in conduct is structural, superficial and temporary, which means that any financial resources spent on such changes are simply wasted. Only if transformation takes

place and the changes are internalised in the hearts of people will behavioural modification occur and the desired effects achieved. Similarly, Alkhafaji (2001) points out that many attempts are made to improve the performance of an organisation such as buyouts, mergers and acquisitions, but these will not affect the employees' work or the way the organisation is managed. These are changes, but they do not necessarily change behaviour. True transformation

> *refers to redirecting organisational efforts towards the satisfaction of the major stakeholders (Alkhafaji, 2001, p. 8),*

and it is therefore a new way of thinking about the organisation and how people should relate to changes in the organisation.

> *Transformation*, according to Head (1997, p. 5), is the

> *step-by-step process of restructuring an existing organisation – removing what does not work, keeping that which does, and implementing new systems, structures, or cultural values where appropriate (p. 5).*

Transformation, therefore, occurs when an organisation taps into the complete potential of human resources, and align both the structural and the cultural processes involved with the overall goals of the organisation. With transformation, a whole new culture is formed based on trust, transparency and constant learning.

> Gouillart & Kelly (1995, p. 7) adds that the transformation in organisations is

> *the orchestrated redesign of the genetic architecture of the corporation, achieved by working simultaneously—although at different speeds— along (p. 7)*

four dimensions of mind (reframing), body (restructuring), linking body and environment (revitalizing), and the spirit (renewal).

Business transformation, according to Gouillart & Kelly (1995, p. 2), is equivalent to a living organism, which is created, then grows through stages of development successfully or poorly, matures, and even dies. Organisations are influenced by environmental turbulence, so for it to survive all these changes, an organisation must have the ability to transform all its different elements and

subsystems in a combined quest for shared objectives. Transformation implies the alignment of all the different systems within the organisation (Taffinder, 1998, p. 42). It is a holistic management of not only the physical attributes of an organisational system, but more importantly the spiritual essence of any system.

Gouillart & Kelly (1995, p. 5) describe transformation as not merely the free flow of information and the management of information, but the total trend of connectivity—relationships. This connectivity creates knowledge communities— business communities that care for society as a whole. These communities develop people, accept responsibility, contribute to the environment, and shape around the environment by building relationships and connections with all stakeholders involved. Interventions such as cultural change bring about transformations in the organisation and change completely the way it views itself and its environment (Cummings & Worley, 2001). Transformation usually involves qualitative modifications in the behaviour, perceptions and values of an organisation and requires creativity, innovation and learning (Cummings & Worley, 2001; Senge et al., 1999).

Gouillart & Kelly (1995, p. 42) further state the difference between change and transformation clearly when they say that,

> *...the transformation can't start until 'they' are transformed. One at a time, their hearts and minds must be filled with the motivation and commitment, until a critical mass has been reached. Then change can begin (p. 42).*

Change is often understood as restructuring, but transformation is more than just something that can physically be seen. "Mechanical rearrangement" (Gouillart & Kelly, 1995, p. 94) is not the same as holistic transformation. Restructuring has definite short-term benefits, but it is an illusion that these physical changes can lead to true transformation in the long run.

Senge et al. (1999, p. 15) prefer the term 'profound change', when an organisation "builds capacity for ongoing change" by getting to the "heart of issues" and emphasising the thinking behind changes, rather than upon mere structural or strategic changes. This thinking on the change process addresses values, aspirations, fears, and behaviours.

The first phase of the model followed by Gouillart & Kelly (1995, p. 7) is the paradigm shift necessary for the organisation to go through transformation. This is where a new vision is created or established once rethought, and then communicated and strengthened in the minds of people. The second phase is the restructuring phase (often referred to as the change phase) where payoffs are fastest and cultural problems are accentuated. This is very often where the organisation is cut to size and reorganisation occurs. Layoffs occur and employees become demoralised and unsure (Chakravarthy, 1997; Ghoshal & Bartlett, 2000).

Revitalisation is the next process of transformation (Ghoshal & Bartlett, 2000; Gouillart & Kelly, 1995, p. 188), and what distinguishes 'transformation' from structural 'change'. This is the phase where relationship building and connectivity become relevant. Gouillart & Kelly (1995) refer to the "listening and touching" of customers, which can be related to the symmetrical way of communication to this public. Values, culture, and ethical approaches to business are the keys and building alliances,

> *connecting across boundaries into the lives of other organisations, giving birth to new corporate communities (p. 215),*

thus rephrasing the meaning or relationships. Key characteristics of the revitalisation process are involvement, sense of fairness and equity, development of trust and credibility (Ghoshal & Bartlett, 2000, p. 211).

But it is especially the last of the four phases of transformation proposed by Gouillart & Kelly (1995) that differentiate 'change' from 'transformation'. This is the phase associated with the change of "spirit" (p. 237), and "without spirituality, there can be no transformation" (p. 238). This phase concentrates on the individual's development and learning, but builds a sense of community through human interaction.

2.2.2 Organisational development (OD)

Another concept, often used as a synonym for 'change' is organisation development. Organisational development (OD) is referred by Cummings and Worley (2001, p. 1) as

> *a systemwide application of behavioural science knowledge to the planned development, improvement, and reinforcement of the strategies, structures, and processes that lead to organisation effectiveness. (p. 1)*

However, as these authors explain, the similarities between OD and change management is that they both approach effective change as a planned process, and they both address

> *activities, processes, and leadership issues that produce organisation improvements (Cummings & Worley, 2001, p. 3).*

In other words, according to these authors the difference between the two concepts is that OD is more concerned with transferring the knowledge and skills that extend the ability of the organisation to achieve its goals. Change management refers to broader processes involving technology, management and social innovations and they do not necessarily contribute to the improvement of the organisation. Change management therefore does not require the transfer of skills. Most importantly, according to Cummings & Worley (2001), the concept of OD and change management differ in their basic paradigmatic value in that OD supports human values, potential, development, and participation, whereas change management values economic competitive advantage.

Organisational change can refer to any kind of change, (Cummings & Worley, 2001) including human process interventions (e.g. team and group processes), technostructural interventions (e.g. interventions, TQM, reengineering and downsizing), human resources management interventions (e.g. performance management) and, more recently, strategic interventions such as relationship management and organisation transformation.

To conclude this section on the conceptualisation of the terminologies on change and transformation, Head (1997) effectively states that

> *Whether you label the change effort an organisational transformation, or reengineering, or right-sizing, or quality building effort, a common language should be established inside the company, and the focus should be on the principles or values behind the change effort—what you are changing and what are the bottom-line outcomes. (p. 8)*

The change effort should therefore not only be structural—it should involve the mind, body and spirit of all the employees involved. Not just 'change', but true 'transformation'. For the rest of this study, the concepts of *change* and *transformation* will be used interchangeably, although a complete and holistic approach is implicated.

2.3 Strategic management and change management

A basic knowledge of *strategic management* is necessary in order to understand how the developments and theories in this field have influenced change management theory and practices.

2.3.1 Developments in strategic management

Management has been defined by Smit & Cronje (1997) as

> *the process of planning, organising, leading and controlling the resources of an organisation to achieve stated organisational goals as efficiently as possible (p. 11).*

This definition is much in line with the scientific definition of early 20th Century by the engineers Taylor & Fayol, where management is viewed as an objective science that consisted of a number of clearly identifiable and controllable activities (Stacey et al., 2000, p. 61). Max Weber reiterated this in describing the ideal organisation as one that is perfectly logical, efficient, impersonal, and had a clear hierarchy of authority (Robbins, 1990). Siemens, Marting & Greenwood (cited in Ehling & Dozier, 1992) also describe management as

> *a large complex of activities consisting of analysis, decision, communications, leadership, motivation, measurement, and control (p. 259).*

Decision-making is regarded as the central idea of management, and management theories consist predominantly of methods to improve the quality of decision-making processes (Ehling & Dozier, 1992, p. 260).

Strategic management differs from *management* in that management sets guidelines for making decisions about the internal structure of an organisation in

order to control its internal processes (Grunig & Repper, 1992, p. 119). Strategic management, in contrast, focuses more on aligning environmental impacts with the mission statement of the organisation, so as to ensure that the right decisions are made for the future. The large organisations which were formed in the first part of the 20th Century were internally focused and designed to be effective and financially robust; however, it was the pressure of environmental changes that ultimately forced top managers to reconsider these management strategies (Harrison, 2003, p. 5). They needed to be aware of what was going on outside of the organisation, so business scholars and practitioners began talking about managing strategically with the environment in mind. Johnson & Scholes (1999) describe strategic management as being

> *concerned with complexity arising out of ambiguous and non-routine situations with organisation-wide rather than operation-specific implications (p, 5).*

This definition seems to be more in line with newer developments of thoughts on strategic management than the traditional ideas of order and control, because it brought attention to the notions of 'complexity' and 'ambiguity'. The transition of thought from 'planned' and 'controlled' strategies to 'flexible' and 'unplanned' processes will be discussed in more detail in the next chapter.

Strategic management and the strategy concepts are derived from the military reference to the role of the 'strategos', which was a position of the army General (Costin, 1998, p. x). The term 'strategy' goes back a few centuries B.C. and was referred to as the skill used for creating global governance by unifying forces to overcome opposition. Quinn (cited in Mintzberg & Quinn, 1996) translates this into

> *the pattern or plan that integrates an organisation's major goals, policies, and action sequences into a cohesive whole (p. 3).*

In effect, a strategist would analyse the strengths and weaknesses of the resources of an organisation, and then allocate them in such a way that would counteract unplanned changes in the environment as well as unexpected moves of the opponent.

A strategy, in its most basic form, means the long-term direction and scope of an organisation whose ultimate goal is to achieve a competitive advantage for the organisation through management of its resources within a demanding environment of stakeholders and markets (Johnson & Scholes, 1999). The definition in Robbins (1990) reiterates this as,

> *the determination of the basic long-term goals and objectives of an enterprise, and the adoption of courses of action and the allocation of resources necessary for carrying out these goals (p. 121).*

The traditional approach to strategic management sees it as a process of analysis, where an organisation's strengths, weaknesses, opportunities, and sources of its threats are used to develop its mission, goals and objectives (Harrison, 2003, p. 6). Quinn (1980) relates management of tactics to plans and programs that are short-term, adaptive, or reactive to opposing forces; and management of strategies as continuous and are gearing towards the organisation's broader goals and the vision. These changes relate directly to the decision-making process at top management levels. Similarly, Robbins (1990, p. 122) echoes this view of strategy by adding further that environmental factors determine strategy, which in turn determine structure in an organisation. This view of the environment being the primary force that determines the best strategy is called *environmental determinism* (Harrison, 2003, p. 7). Good management is, therefore, the recognition of the strategy that best fits the environment, and the ability to plan for and carry out that strategy. However, as Robbins (1990) and Harrison (2003) observe, in practice decision makers and management actually choose their environments; and management may even attempt to change its environment through strategic decision-making. Strategy is thus a deliberate decision-making process where "managers plan to pursue an intended strategic course" (Harrison, 2003, p. 8).

Quinn's (1980) analysis of classic military and diplomatic strategies reveal some important insights into the traditional design of the formal strategy:

- the essential elements that have to be present are goals and objectives, policies steering actions, and action sequences to accomplish the set goals;

- resources have to be allocated in ways that provide energy and power to the main decision-making concepts of the strategy;

- there has to be enough flexibility in the strategy to make provision for unplanned changes in the environment;

- the position of the organisation should be strong and flexible at the same time, so that it can achieve its goals despite unpredictable forces that may affect it;

- there should be multiple levels of hierarchical support structures that are interdependent, which could be tested against set criteria and controlled in a systematic fashion.

Another view of strategic management is one that considers the organisation as a collection of competencies or resources, and organisations that claim a competitive advantage are those that possess superior skills and abilities (Harrison, 2003, p. 8; Graetz et al., 2002, p. 50). This view regards the competent manager as one who knows how to acquire, develop, maintain and discard resources. The argument against this view is that it is the stakeholders of an organisation who influence the resources, and are thus the link to resource management the ultimate success of the organisation. The resources argument is criticised by the argument that an organisation is a network of relationships with stakeholders. These arguments will be further discussed in the next two chapters.

An important point made by Robbins (1990) is that there are different types of strategic decision makers, and these types relate directly to the structure of their organisation as well as to the stability of the environment. Johnson & Scholes (1999, p. 431) also refer to the importance of structure and configuration of the organisation, as well as to circumstances within which the organisation functions. Robbins (1990) further argues that the goals of the organisation, in terms of its products or markets, would have an influence on the structure relating to complexity, centralisation and formalisation. These strategic dimensions thus create challenges that determine the predicted structural characteristics. However, Robbins (1990) also adds that an innovative leader that surveys a wide range of

environmental conditions and scans for new opportunities cannot maximise profitability, and is therefore seen as inefficient.

Mintzberg (1987a) notes that, in literature, strategy is described in many ways. As for example:

- a plan with a course of action;

- a ploy to outwit opponents;

- a pattern that is consistent in behaviour;

- a position of how the organisation views itself in relation to the environment;

- a perspective or paradigm or worldview of the organisation and its members.

Although these views seem different from one another, Mintzberg argues that they are interrelated, so no single definition of strategy takes any precedence over another. That is, each definition adds a dimension that illustrates how organisations are devices for collective perception and procedures (Mintzberg, 1987a; Robbins, 1990, p. 122; Graetz et al., 2002, p. 51).

Analysis, according to Ohmae (1998, p. 115), is the critical starting point of strategic thinking. The mind of a strategist has intellectual elasticity and is flexible enough to adjust to changing environments. Ohmae describes strategic thinking as using brain power in a non-linear way, and that the best way to understand a situation is to take it apart and then reassemble it in a new way. Grunig et al. (1992, p. 123) refer to the terms 'manage' and 'strategy' as "thinking ahead or planning rather than manipulation and control". For them strategic management is a two-way, symmetrical process where the organisation considers its strategic interest and then changes its behaviour in order to accommodate stakeholders in its environment. Strategy is "an approach, design, scheme, or system" (Grunig, 1992, p. 123). Grunig et al.'s (1992) view of strategic management coincides with the strategic management perspective of the organisation as a network of relationships with stakeholders (Harrison, 2003). This view has only emerged in the past two

decades together with postmodern approaches to change management (the topic of Chapter 3).

2.3.1.1 Levels of strategy

Strategy-making is performed on different levels in organisations, and although these levels are not easily distinguishable, an understanding of the conceptual levels will clarify how members of an organisation function within the system and relate to these levels of change strategy. Digman (1990), Johnson & Scholes (1999) and Oliver (2001, p. 3) identify at least 4 levels in organisations: (1) corporate, (2) business unit, (3) operational, and (4) enterprise strategy and functional strategy.

Corporate strategy is concerned with the financial orientation of the organisation in terms of its portfolio of businesses and how resources are allocated to business levels. This is of importance for organisations engaging in more than one line of business (Robbins, 1990, p. 123).

Business unit strategy is marketing oriented and functions at the level of products, services and the competition in the market place. The functional level of strategy is occupied by integrating the different functions of the organisation in order to create synergy and to gain competitive advantage. Organisations with diverse business strategies will have a variety of structures to fit the strategies of each business unit (Robbins, 1990, p. 124).

The operational strategy level concentrates on putting all the above decision-making processes into action. On this level, action processes include setting short-term objectives and finding cost-effective ways of obtaining them. Managers who function on a strategic level put more thinking into the enterprise strategy levels, and constantly try to balance the mission of the organisation with the demands of the external environment (Grunig, 1992, p. 119; Johnson & Scholes, 1999).

Enterprise strategy operates on a societal level and concerns the organisation's place in terms of its mission, vision and environmental purpose. On this level, decisions are made with regard to how the values of the organisation are married to those of the stakeholders, and the nature of the organisation's relationship with its environment and subsequent social responsibilities.

Before the importance of the environment for strategy and change is discussed, it is worth mentioning the difference that is made between strategic planning and strategic thinking.

2.3.1.2 Strategic planning versus strategic thinking

Formal strategic planning is seen as being at the centre of the organisation's process system, and it describes the roles and functions for divisions and departments (Johnson & Scholes, 1999, p. 425). Some authors refer to strategic logic in this context and describe it as the

> organisation's operative rationale for achieving its goals through coordinated deployments of resources (Sanchez & Aime, 2004, p. 5).

Hill & Jones (2004, p. 8) point out that many business thinkers see strategy as a result of a formal planning process, so strategy implementation is a process of

> designing appropriate organisational structures and control systems to put the organisation's chosen strategy into action (p. 8).

The result of strategic planning is a *plan* (Harrison, 2003, p. 24; Graetz et al., 2002, p. 53), and the steps normally followed are (Hill & Jones, 2004, p. 8):

- selection of the corporate mission and major goals of the organisation;

- analysing the external environment of the organisation;

- analysing the internal operating environment;

- making strategic choices based on this analysis; and

- implementing this strategy.

Strategic implementation occurs when strategy is put into action through components such as organisational structure and design, the planning of resources, and the actions taken by managers to change processes (Johnson & Scholes, 1999, p. 22). Hill & Jones (2004, p. 17) add that it further involves corporate performance, governance and ethics, as well as the local and global implementation of strategy. Strategic planning involves setting of objectives, analysing the

environment against the resources available, and then producing a plan for implementation. Strategy, according to this process, is therefore the outcome of careful and controlled analysis and planning with a clearly defined sequence of activities.

Critics of formal planning systems argue that strategic planning is rigid and reduces intuition and creativity (Harrison, 2003), and does not allow for adjustments and flexibility in the ambiguous, uncertain and complex world we live in (Hill & Jones, 2004, p. 18). Rapid and unanticipated changes can leave any well thought-out plan useless, which is why recent approaches to strategic management have placed more value on the ability to respond quickly to environmental changes. The following table describes the differences clearly:

Table 2-1: Strategic planning versus strategic thinking

	Strategic planning	Strategic thinking
Future:	Considered to be unambiguous and predictable	Only its form can be envisaged; vision; scenario planning
Formulation and implementation of plan:	Deterministic, top-management decision-making, rational, discrete,	Interactive process, negotiation, networking, involvement of all levels
Clear boundaries and divisions:	Job descriptions are tightly controlled and protected; clear report lines	No boundaries; holistic approach in management; interdependence of subsystems
Goal:	Setting of strategic direction through analytical, systematic process	Strategy and change inextricably linked; recognition of effective implementation
Control:	Control through measurement system	Self regulation; sense of strategic intent and purpose
Planning:	Creation of plan the ultimate object	Planning process seen as an important value add; provides direction and focus
Thinking:	Analytical; rational	Creative; intuitive

(Adapted from Graetz et al., 2002, p. 56)

Emergent strategies and strategic thinking encapsulate the vision of where an organisation is or should be going, that is, together with a long-term focus upon the environment (Harrison, 2003; Graetz et al., 2002). Strategic thinking managers take advantage of unplanned opportunities and do not ignore the past or present, but keep the future in mind. In other words, they follow a sequential thinking

process where creative ideas are used for learning and risk-taking. This unplanned, flexible, risk-taking approach is the antithesis of the planned approach, and these two paradigms form the basis for the variables used in this thesis. The emergent approaches to strategy and change are discussed in Chapter 3.

2.3.1.3 The importance of environment

The concept of environment is very important in all strategic management literature (Pearce & Robinson, 1982; Mintzberg & Quinn, 1996; Smit & Cronje, 1997; Robbins, 1990; Harrison, 2003; Hill & Jones, 2004; Johnson & Scholes, 1999; Sanchez & Aime, 2004, to name a few). Environment refers to all the forces that influence and affect an organisation's structure, strategic options or culture. More importantly, they are forces which the organisation has little or no control over. In Robbins's view (1990, p. 206), environments include all the factors outside of the organisation's borders, that is, from the general to social, political, economic, legal, ecological, cultural, or specific conditions relevant to the products or services and related stakeholders. These specific individuals or organisations that interact directly with the organisation, and influence its goal achievement, is referred to as the task environment (Cummings, 1997, p. 453). Robbins (1990, p. 206) also distinguishes between the actual environment with all its complexities from the environment as perceived by management. This enacted environment influences the strategic choices made, while the real and task environment determine whether these choices are successful or not (Cummings, 1997, p. 454).

At this stage, it is important to note different approaches to the role of the environment. Traditional management theories used to concentrate on the internal environment of the organisation. The internal environment refers to groups who work within an organisation, or are in some way involved in the work the organisation is doing (Goldstein, 1994, p. 116). The employees, internal management processes, and the strengths of management teams could be controlled. What could not be controlled was the external stakeholders, and as Robbins (1990) notes, they could not be "managed" because there was no control over this part of the environment. The environment was traditionally explained as physical and social external forces that have an influence on an organisation and within which the organisation functions (Cummings, 1997). However, as Harrison

(2003, p. 12) points out, organisational boundaries are becoming permeable as firms subcontract and form coalitions with other organisations. Organisational systems cannot function as monolithic or closed-off entities (Sherman & Schultz, 1998, p. 170) because they interact with other monetary and value systems. Just as they are influenced by these entities, so can these entities be influenced by them. Organisations will be able to manage their external stakeholders to some extent, and in effect, manage a part of the environment. Through this interaction they have thus an influence and a relationship with their environment.

Grunig et al. (1992, p. 67) point out that most managers would prefer though to remain independent from the environment, which means to run their business without interference. Trying to manage strategically is therefore a perpetual struggle for independence from outside constraints and demands. Organisations exist with different degrees of uncertainty within their environments, and managers try to use the structures of their organisation to minimise the impact of the environment (Grunig et al., 1992; Robbins, 1990, p. 206).

Alternatively, an organisation may attempt to influence the environment so that it would contribute to the organisation's success. This is called "enactment" (Harrison, 2003, p. 7). During the process of enactment the organisation can make strategic choices regarding relationships with stakeholders, investments, change activities, and the like. Grunig et al. (2002) mention that managers often rely on their perceptions about the environment and act on those perceptions rather than on what is going on in the actual environment. To this extent, "they enact their environment and act accordingly" (Grunig et al., 2002, p. 445). This becomes especially true the more uncertain and complex the environment is, as managers have to have the ability to enact much faster than before.

Because an organisation is an open system and interacts with its environment, it has to adapt to its environment in order to survive and stay effective (Robbins, 1990, p. 205; Grunig et al., 1992). Kanter (1989, p. 142) talks about the deliberate collaboration between organisations that manage strategically and their environment. The most successful organisations are those that administer and control their resources and relations with all groups that can influence the existence of the organisation effectively and efficiently. Organisations try to control

the influences from their environment by getting involved in acts such as mergers and acquisitions, joint ventures, diversification, environmental scanning, and in mechanisms such as call centres, industrial affairs departments and affirmative action departments.

Different environments determine different structures in organisations. As Robbins (1990) observes, that more mechanistic structures will be better suited to stable, unchanging (or slow-changing), simple and predictable environments. Organic structures that are flexible, diverse, and non-authoritarian will function well in dynamic, complex environments that are turbulent and ever changing. Furthermore, Robbins (1990) argues that turbulent environments seem to be the rule rather than the exception and that

> *organisations today face far more dynamic and turbulent environments*
> *than in previous times (p. 214).*

Interestingly, Robbins (1990, p. 225) also points out that it seems that most organisations still use the mechanistic form of structure even though the current environment is seen as very turbulent and dynamic. To go as far as questioning whether these times are as turbulent as mostly suggested, Robbins observes that organisations operate in presumably similar environments, but have different structures and show little significant differences in effectiveness. Robbins concludes, however, that

> *a dynamic environment has more influence on structure than a static*
> *environment does (p. 231).*

Furthermore,

> *complexity and environmental uncertainty are directly related,*
> *formalization and environmental uncertainty are inversely related, the*
> *more complex the environment, the greater the decentralization, and*
> *extreme hostility in the environment leads to temporary centralization*
> *(p. 233).*

These conclusions by Robbins have important implications for strategic choices in change management.

The major concepts for this study, as derived from the above traditional approaches of strategic management, are the views that strategy involves fixed patterns, plans and positions. As Graetz et al. (2002) point out,

> *For most people, strategy is generally perceived as a plan—a consciously intended course of action that is premeditated and deliberate, with strategies realised as intended (p. 51).*

Strategy and management is constantly referred to as the way of providing a framework for planning and decision-making that control and manage influences from the environment. Although flexibility is mentioned, it is still embedded within the paradigm of a strong foundation and firm position.

Another major concept that will be examined, in terms of emergent approaches to strategic management and change, is the role of the environment; specifically, how, and to what extent, organisations can go about managing their internal and external environment through the relationships they have with the stakeholders in this environment. Traditional perceptions of determined boundaries, uncontrollable environments and adaptation to environmental determinism, have made way for more flexible and open boundaries and environments that can be controlled to some extent through relationships and enactment. These emergent approaches are the topics of discussion in Chapter 3.

2.3.1.4 'Strategy' and 'change'

It is important to note here is that strategy is sometimes considered to be something different from change. Tsoukas & Knudsen (2002, p. 424) argue, for example, that the configuration school is not a theory of strategy but one of corporate change, making a distinction between the two concepts. However, Mintzberg (1987a) explains:

> *That is why even though the concept of strategy is rooted in stability, so much of the study of strategy making focuses on change... The very encouragement of strategy to get on with it—its very role in protecting the organisation against distraction—impedes the organisation's capacity to respond to change in the environment (p. 50).*

Here lies the paradox of strategic management. In order to follow a direction and reach intended goals, an organisation has to adjust to the changing environment, that is, manage changes. But if it is constantly questioning its strategies it will slow down its ability to 'get on with things'. Moreover, if it is a stable basis for action it could become a groove within which the organisations functions, and loses the ability to see, or recognise changes in the environment that may affect it, or lose the ability to adjust quick enough to any change. It loses the ability to manage change.

Strategic management can also implicitly mean change management or the management of change within an organisation and its environment (Quinn, 1998, p. 138). If change management is the holistic and total adjustment of the organisation in order to align it to its environment (Gouillart & Kelly, 1995, p. 2; Taffinder, 1998, p. 42), and strategic management is described as the alignment of the mission statement of an organisation with the environmental impacts of that organisation in order to guide decision-making (Grunig & Repper, 1992, p. 119), then strategic management and change management can be seen as being part of each other or describing the same process. Both refer to a controlled and planned process to change behaviour, structure, or process in the organisation in order for it to reach certain goals and objectives. Graetz et al. (2002, p. 49) encapsulate this argument this way,

> *In today's business environment, strategy-making (strategy formulation and implementation) is concerned largely with the management of organisational change; it is the 'cognitive component' of the change process (p. 49).*

2.3.2 Developments in change management

Views of change management developed concurrently with approaches to management in organisations, although the views on change have been ingrained in the belief systems of civilisations since the beginning of human time. Through the centuries accounts of change in the environment were influenced by the worldviews of many civilizations and cultures. The world of science has developed alongside these paradigms and has moved from mythology, religion, modernist science governed by mathematics, and emerging postmodern worldviews.

Sanders (1998) explains the history of thought around change starting with the earliest myths and legends—stories that were told to make sense of the world, how it works and why it changes. Sander believes that there is no clearly identifiable mark in history, except that it must have developed through the atomists of the late 5th Century B.C., who believed that life in all forms were made up of tiny moving particles that worked like a well-oiled machine. The philosophers, such as Pythagoras, for example, thought that all life can ultimately be explained by numbers; that is, until questions about the realities of change arose and replaced this mechanistic view. That change and stability could exist simultaneously was the paradox that brought about the concepts of being or becoming.

Socrates and Plato were responsible for advancing the discussion on the question of reality from a political and ethical point of view (Sanders, 1998; Briggs & Peat, 1989). Their views represented the struggle to create a conceptual framework within which to understand the existence of both order and change. Plato believed in the existence of two realms: a realm that is perfect and represents stable forms, reason, and ideas; and another realm that is the ever-changing—the material world, which we experience through our senses. Change and stability are thus from two very different realms. Change, according to Plato, is imperfect and merely a representation of the real world of reason and knowledge.

Following Plato, his student, Aristotle, set in motion a worldview that dominated the scientific scene for almost two thousand years. Since Aristotle preferred abstract observation and conceptualisation to actual experimentation, that is, having to prove the true nature of the universe and the material world, his worldview was more qualitative than quantitative. Where form and matter were seen as being inseparable, Aristotle speculated that order was all-encompassing and existing in increasingly more complex environments; furthermore, all life forms build up in ascending hierarchies (Briggs & Peat, 1989, p. 21).The earth was the centre of the universe; so the move away from Aristotelian cosmology was to be the point of separation between medieval science and the start of the industrial revolution that led to the modern scientific paradigms.

Religion has also had a big part to play in the formation of the views of science, industry and, essentially, of change (Sanders, 1998). The birth of Catholicism and

the Church in Rome saw the beginning of a very strong hold over intellectual development of civilizations throughout Europe. During the Dark Age (A.D. 500-1000) monasteries provided a safe haven for intellectualism, and the Church went on to be the most stable and influential system throughout the medieval period of scientific and intellectual pursuit. The 450-year revival of intellectual pursuit covered the period A.D. 1000-1450 when the Aristotelian view of the earth as being the centre of the universe was adopted by the Church. This view strengthened the Church's doctrine of being the foundation of society, and strengthened the suppression of chaos and ideas such as entropy, decay and nonlinearity (Briggs & Peat, 1989, p. 21). While the Church fought for power by forming the Inquisition (which kept it in power through to the 19th Century), it was being criticised and attacked by the Protestant Reformation, the French Revolution and scientists such as Galileo, the father of modern science. This struggle between religion and science still exists today, as demonstrated repeatedly through, for example, the evolution-creationism debates.

The Scientific Revolution of the 17th Century further advanced the movements of the mathematisation of nature and the development of the mechanical philosophy (Sanders, 1998; Sherman & Schultz, 1998; Wheatley, 1994). Plato's view of the world and nature, based on geometric and mathematical principles and approaches, converged with the mechanical view of nature (as one huge machine) and formed the mechanistic-mechanical worldview, which became known as the 'clockwork' paradigm. Galileo's mathematisation of the study of motion also contributed significantly to the basic physical principles upon which modern science is based. Descartes took this even further in proposing the view that all living things operate like machines, have no inherent intelligence, except the ability to react to changes in the environment. Descartes viewed all organic life in mechanistic terms, and Newton continued this tradition through his laws of celestial mechanics by describing the world in mathematical and mechanistic terms (Briggs & Peat, 1989). The ease of explaining complex phenomena in mechanistic terms meant that this approach had huge followings. Scientific discoveries of the 'Truth' were used to strengthen the power of the state and the Church, and to promote social change and order in society (Sanders, 1998).

Business management and strategic thought are still very much based on this mechanical worldview (Wheatley, 1994; Robbins, 1990; Sherman & Schultz, 1998, p. 3), as for example, Total Quality Management with its fishbone diagrams, reengineering practices, and the grids used with the Balance Scorecard. The basis of thought developed during the Scientific Revolution is a combination of logical, deductive reasoning with the view of the world as mechanisms being run in mathematical terms. Paradigms of the Scientific Revolution had a big influence on the Industrial Revolution, which realised the potential of co-ordinated mechanisms, where organisations were controlled structures managed for optimum production and minimal complexity (Robbins, 1990; Whittington et al., 2002, p. 476).

The classical school of theorists led by Frederick Taylor, Henri Fayol and Max Weber introduced ideas of the scientific approach in management theory (Robbins, 1990). They believed in tight control of production and productivity, and the importance of authority and bureaucracy as the most efficient means of obtaining organisational goals. Thus arose the development of the concepts of rational-planning and the idea that structure was a result of strategic planning and organisational objectives.

Out of the scientific approach to management, the process of Statistical Process Control developed after the reconstruction of Japan in the 1950's, and the ideas of Total Quality were created (Carr & Johansson, 1995, p. 5; Graetz et al., 2002). In the late 1970s and 1980s, this idea was reintroduced, into the Western organisational arena as Total Quality Management (TQM) and Quality Circles. It involved processes, natural work groups and a customer-focused, market-driven approach. During the economic slowdown of the early 1990s, companies saw that a narrowly focused TQM had little impact on the bottom line, and so they began looking for business results by tightening processes and eliminating redundant steps in business procedures. This led to Business Process Reengineering (BPR), which included competitiveness, cost cutting, core business process focus, radical change and dramatic improvement (Cummings & Worley, 2001, p. 302; Graetz et al., 2002). Reengineering addressed the problems of traditional management systems where work was broken down into specialised units, but was slow to

respond to unpredictable and complex environments. BPR integrated specialised working units into cross-functional work processes.

Together with these technical and work process system developments, the humanistic approach evolved with a more democratic and personal touch and flexible adhocracies being the ideal organisational form (Robbins, 1990, p. 41). The motivation of employees and participative decision-making were emphasised, as well as the facilitation of communication as an important role of the manager. The contingency movement gained momentum in the 1960s, and the influence of the environment on the structure of the organisation was highlighted. This view propagated that there was not 'one best way', and that variables such as the size of the organisation had profound influences on the management approach and structure followed. The most recent approach, as discussed in Robbins (1990, p. 43), focuses on the political aspects that influence structure such as power coalitions, conflict and negotiation and control.

The planned approach to strategic management and change management is a current overarching paradigm in change management literature (Genus, 1998). (Examples can be seen in Cummings & Worley, 2001; Head, 1997; Burnes, 1996; Gouillart & Kelly, 1995; Ghoshal & Bartlett, 2000; Senior, 1997; Mintzberg & Quinn, 1996). Within this approach is the importance of strong leadership and change management teams. Current public relations theory, relating to management and corporate communication strategy, is much in line with these general strategic management views of structured planning and decision-making. An account of how changes in communication management approaches coincide with the developments and applications to change management approaches will be discussed in Chapter 5.

The next chapter outlines of the various change management strategies and approaches, specifically with reference to *communication management*.

OVERVIEW OF CHAPTER 3: *Approaches to Change Management*

CHAPTER 1: INTRODUCTION → INTERPRETIVE APPROACH → CRITICAL PARADIGM → POSTMODERNISM → CHAOS AND COMPLEXITY THEORIES → RELATIONSHIP MANAGEMENT

Background　　　　Key concepts　　　　Conceptual framework　　　　　　　　　　　Research statement,　　　Findings, Conclusions & Implications
　　　　　　　　　　　　　　　　　　　　　　　　　　　　　　　　　　　　　objectives, design
　　　　　　　　　　　　　　　　　　　　　　　　　　　　　　　　　　　　　& methodology

| CHAPTER 2: STRATEGIC MANAGEMENT & CHANGE | CHAPTER 3: APPROACHES TO CHANGE MANAGEMENT | CHAPTER 4: EMERGENT APPROACHES | CHAPTER 5: RELATIONSHIPS & RELATIONSHIP MANAGEMENT | CHAPTER 6: METHODOLOGY | CHAPTER 7: FINDINGS | CHAPTER 8: CONCLUSIONS & FURTHER RESEARCH |

Traditional
　approaches to
　change
　management
Limitations of the
　planned approach
　to strategic
　management
　& change
　management
Emergent
　approaches to
　change
　management
Variables that may
　influence the
　change process

METHODOLOGY & THEORY LINK

	Independent variables		Dependent variable	
Change management	Planned approach *Scenario A*	Emergent approach *Scenario B*	Relationships	Validity & reliability testing

50

Approaches to Change Management

3.1 Introduction

As outlined previously in Chapter 2, the planned approach to strategic management and change management is tightly linked to identifying and managing processes designed to make organisations more successful and competitive. All these processes are internally focused, and they attempt to provide solutions to help management obtain commitment to change and improve productivity with the least resistance. Change plans make the results tangible, help control the processes, guide decision-making and provide security around uncertainties.

In this chapter the characteristics of the traditional, planned approach to change management are discussed in depth, and the emergent views of change management are introduced.

3.2 Traditional approaches to change management

Individual change management models can be briefly summarised as follows:

- ◆ **Kurt Lewin's classical model:** This model is entrenched in the general systems theory; more specifically, it is concerned with the forces that sustain down-balanced systems or those that break them down (Graetz et al., 2002, p. 99). Stable forces are dominant in a stable system, so if a stable system is to change it needs to reduce all stabilising forces. There are basically three steps in this process: unfreezing, moving and refreezing. Unfreezing involves detaching by communication existing problems. Moving refers to the recognition of a need to change, specifically, cultural change and structural change to establish new values and processes. Refreezing refers to the reinforcement of changes in order to achieve renewed equilibrium (Burnes, 1996).

♦ **Socio-technical approach** identified the semi-autonomous workgroup as the foundation for any organisation, and although it was better suited to the demands of business it was less considerate to the basic needs of employees, such as job satisfaction. This approach proposed that both technical and social systems of work should be utilised in order for an organisation to change (Graetz et al., 2002, p. 100).

♦ The **organisational development** school of thought approaches change on a consulting basis providing a variety of tools to facilitate change. Here, its main emphasis is on team building, personal development and participation. Action research is also emphasised and used to measure and evaluate change through constant feedback during the change process. The subsequent data-collection process involves both the researcher and the participants in the process of change. Strategic change, involves the alignment of the environment and the organisation's strategy, providing the ability for the organisation to adjust to rapid changes in the environment (Graetz et al., 2002; Burnes, 1996; Cummings & Worley, 2001).

♦ The concept of the **learning organisation** refers to participative management and the interconnectedness of organisations. Knowledge and skills are seen as an important resource to determine organisational success, and the organisation can be improved by focussing on the learning process. The learning process is determined through trial and error through goal setting and feedback (Cummings & Worley, 2001; Graetz et al., 2002).

The above models of change management are mostly normative with weak foundations in positivist research. Following these are the models of *lean production* (or as it is mostly known, the Toyota or Kaizen model) and *Total Quality Management*:

♦ **Lean production** is based on the principles of zero defects, zero inventories and zero waste (Graetz et al., 2002, p. 107) through the total integration of all systems. Motivated teams of high and multi-skilled employees drive continuous improvement systems with a philosophy of

quality and minimum waste. There is strong influence of Taylorism where automotive production and control over employees are the focus.

⬥ *Total Quality Management* (TQM) is related to lean production, and they were both influences from Japan and adopted in the Western world. Like lean production, TQM applies to the whole operational system through fully integrated work teams and focuses on quality and customer requirements (Graetz et al., 2002; Cummings & Worley, 2001).

While TQM is less focused on cost-reduction and more on cultural change, both the TQM and lean production's commitments to employee participation and empowerment are questioned.

The final three change models described by Graetz et al. (2002) are: business process reengineering (BPR), best practice, and the model of high-performance work organisation. These three are closely related and owe much of their development to lean production and TQM. These three models place a high premium on core business processes and building workforce commitment, although critics have questioned these models' implicit expectations of commitment from employees who are constantly subjected to possible downsizing, outsourcing and redundancy

The most prevalent and overriding paradigm in traditional change management literature is the planned approach (mentioned earlier). Even though some of the above mentioned perspectives have a participation element, the change management process is generally based on the planned approach (Head, 1997).

At the Harvard Business School, in 1998, a research conference was held wherein the most prominent practitioners and academics discussed the state of change management theory and practice (Beer & Nohria, 2000). Six key elements of change were identified as being embedded in most change efforts. In addition to the element of planning, there are:

⬥ the purpose and measure of change;

⬥ the leadership style in change efforts;

⬩ the motivation for change; and

⬩ the focus of change; and

⬩ The Harvard group also looked at the consultant's role in change, and at the types of change that is being researched.

To date, two basic approaches to change in theory and practice can be observed, namely, Theory E (economic value-driven change), and Theory O (organisational capability driven change) (Beer & Nohria, 2000, p. xii). Senior (1997) proposes a distinction between hard-systems models and soft-systems models. Hard-system change management relates to rational-logical models (Theory E), where people issues are of low priority; and soft-systems models (Theory O) take into account organisational politics, culture and leadership—in other words, people issues.

Next, the characteristics of this planned, Theory E, hard-systems approach is discussed, and thereafter the same characteristics are contrasted in the discussion on the emergent Theory O approach.

3.2.1 Focus on economic value

Proponents of this approach argue that it is an organisation's sole ethical responsibility to society, its shareholders and employees to produce profits and be economically viable (Beer & Nohria, 2000; Jensen, 2000; Graetz et al., 2002). Focusing on this objective function keeps the minds of managers on the economic returns of the company, and shareholder values motivate decision-making. According to Jensen (2000, p. 38) an organisation has the obligation of deciding what is "better" for the welfare of society's inhabitants in terms of the outcomes of the organisation. Jensen contends that an organisation should have a single valued objective function that calls for purposeful behaviour, which may not be possible when there are multiple dimensions which may potentially lead to confusion and complexity. Too many goals to please too many stakeholders eliminate an organisation's competitive edge.

Jensen (2000) emphasises that having a single objective does not imply that a firm cares only about one thing, but rather that the objective comprises of a complex function of different goods or 'bads'. It is somewhat like a business version

of the medical Hippocratic Oath where business leaders have to make choices about what would be 'better' for the welfare of a society's inhabitants. In this sense the welfare of a society is dependant on the total value of an economy, and Jensen (2000) simply equates this to

> when a firm produces an output or set of outputs that are valued by its customers at more than the value of the inputs it consumes (as valued by suppliers) in such production (p. 41).

The good behaviour of a firm is therefore that which is obtained from the most despite limited resources in the environment (profit maximisation), and produces the least waste. The total approach to change, according to the financial perspective, focuses on the shareholders, customers, building competencies to improve operations and new product developments (Graetz et al., 2002). Change is even measured by dollar-based indicators such as shares price performance, market shares, overall performance, profitability, cash flow and internal financial targets and budgets.

3.2.2 Top-down approach to change

Leaders who lead change from the top are ones who set goals and objectives based on expectations of financial markets, and they do not involve employees at lower levels in decision-making processes (Beer & Nohria, 2000). In this paradigm, leaders are expected to provide a strong vision and focus by which employees measure their change performance (Graetz et al., 2002). Proponents of this paradigm argue that only managers can make decisions on mergers, structural changes, acquisitions, that is, changes directly affecting survival, because they supposedly have the knowledge and information necessary to do so (Conger, 2000). Which is why top executives have the power of position, their actions are perceived as heroic, and they have the 'vantage point' in the organisation where they can make more informed and visionary decisions. That is, since such decisions have profound implications, requiring huge capitals and involving big risks; it would therefore take too much time if everybody is to be involved in the decision-making process. To justify this opinion, the top-led advocates argue that widespread participation and buy-in are still necessary for change efforts to be successful; nevertheless a team of senior executives is still required in order to take

charge and control the change. As most change efforts are more fundamental than incremental, the top-down advocates believe that top management is still the better approach to orchestrating organisational change efforts.

3.2.3 Focus on structure and systems

Organisational structure is described by Cohen (2000) as:

> *the formal elements of organisation, the rules and procedures that are designed to guide or restrict the behaviour of people (p. 178).*

According to the proponents of the Theory E-driven approach, changes in structure, strategy, or the 'hard' systems of the organisation yield much quicker financial results than focusing on cultural and behavioural changes (Beer & Nohria, 2000, p. 8; Graetz et al., 2002). Business leaders have the power to make quick decisions on resources and formal hierarchical structures, and these fundamental changes require starting with the structure of an organisation. Galbraith (2000) argues that managers can generate much larger changes in an organisation by changing formal structures rather than by changing culture. He also argues that structural changes should be the first step in any change process, as this first step determines the success of larger subsequent transformational efforts. As resources lie within the power structures of the organisation, the redistribution of power is necessary to engineer change.

3.2.4 Planned and programmatic change

Proponents of the planned—Theory E—approach believe that a clearly planned transformation effort builds confidence with all the stakeholders of an organisation (Beer & Nohria, 2000, p. 8). They believe that a well organised, sequential plan driven from the top motivates action and forces decision-making. Although some Theory E followers believe in a planned approach, they often recognise that these plans have to be more focussed on behavioural changes and participation, rather than on mere structural changes, that is, as in the top-down approach (Ghoshal & Bartlett, 2000; Gouillart & Kelly, 1995). These types of planned approaches focus on discipline which is created through performance standards, and are linked to clear reward and sanction systems. Linear planning sets clear directions, weighs resource, budgets against set objectives, and sets direction with clear goals and

objectives (Graetz et al., 2002). Most of the traditional literature on Organisational Development (OD) and change management follow a planned, step-by-step approach (Burnes, 1996; Cummings & Worley, 2001; Gouillart & Kelly, 1995; Graetz et al., 2002; Johnson & Scholes, 1999; Lawler, 2000; Robbins, 1990; Wruck, 2000, p. 294).

3.2.5 Motivated by financial incentives

Beer & Nohria (2000) explain that Theory E changes rely very much on bottom-line focussed strategies. Together with this economically driven approach, financial incentives to motivate change are considered an essential symbolic and motivational element. Financial incentives are likely to keep managers focussed on the goal and prevent them from being side-tracked by emotional or political constraints (Jensen, 2000).

Wruck (2000) suggests that the issues that determine a change approach are those factors that motivate people to change. Moreover, compensation systems determine change, so they have to be used to facilitate the success of a change strategy. According to Wruck (2000), successful and productive change is therefore change that creates value for the organisation, its owners and society. Value is created when an organisation produces more than is consumed. She believes that

> *effective compensation systems help overcome organisational inertia and opposition to change (Wruck, 2000, p. 270).*

Although Wruck states that monetary compensation is not the only effective system, that is, there are other rewards such as participation, bonuses, safety, recognition, and even interaction and relationships, monetary rewards should be put in first place because employees tend to associate money as enabling other things they value. That is, with monetary awards come the employee's choices of their own award system. The compensation system is merely the starting point of a change strategy, but it ultimately stimulates behavioural change. Equally important are the importance of communication, a learning culture, and effective participative problem-solving efforts. If a new compensation system is implemented, it has to be communicated well, and employees should be allowed to

experiment with options, and provide suggestions regarding the rewards (Lawler, 2000; Wruck, 2000).

3.2.6 The change leaders: consultants are large firms supporting top management

Large consulting firms with supposedly superior knowledge and experience are often appointed to lead changes in order to provide rapid and sizeable economic improvements in organisations (Beer & Nohria, 2000). Because of the push from economic markets and investors, the boards of organisations are pressured for rapid changes. This is often done by changing the leadership, major structural changes and layoffs. CEOs under stress find an alliance in consulting firms, who take the blame for potentially painful changes. As management increasingly sees the firm as an economic institution rather than a system of people, they become disconnected from lower level employees. But this also makes it easier for management to make these decisions by focussing on the set objectives and the bottom line without being affected by the emotions surrounding those decisions. A further advantage is that consulting firms can bridge the gap between theory and practice, since they have the resources and experience to perform the cutting-edge research within organisations, and then translate that to business experience (Neill & Mindrum, 2000).

From the variables discussed above, the formal planned approaches to strategic management and change therefore serve a number of essential functions (Quinn, 1998, p. 132). Apart from forcing managers to be disciplined and forward-looking, it also forces them to communicate organisational goals and strategic issues. At the very least, managers are encouraged to produce long-term analyses, evaluate and integrate short-term plans. Furthermore, planning protects long-term investments in the company and provides a framework within which management can benchmark their short-term decisions. As Quinn (1998) observes, in this sense, the planned approach to strategic management and change has become an extension of the controllership function. It is thus appropriate to scrutinise the planned approach for its limitations.

3.3 Limitations of the planned approach to strategic management and change management

The step-by-step, uni-directional, rational, traditional approach to strategic planning and change has very definite limitations, despite its simplicity and perceived security to the organisation and its members. In other words, the strategy limits the organisation's ability to reconsider or change its course once the strategy is implemented. Furthermore, it also inhibits the organisation's ability to respond promptly to sudden changes in the environment (Graetz et al., 2002, p. 53). Given the turbulent, complex environments organisations face today, a top-down, hierarchical, predetermined and rational process simply cannot work. As according to Graetz et al. (2002), organisations become trapped in thinking about successes of past paradigms, so they settle into a risk-averse rut of conservative and convergent strategic planning. The strategic management school of thought emphasises control and planning by top management, and they recognise issues of empowerment without getting involved in the realities of them (Bennis, 2000).

Senge et al. (2000) have demonstrated by statistics and figures that reengineering and TQM efforts do not sustain change efforts. Accordingly, most change efforts follow a life cycle where they have an initial growth surge, but then gradually slow down or even cease to work. In this sense, the organisational arena resembles the biological world in the discovery that growth processes are often limited by the failure to address deep systematic causes of problems. Essentially, organisations can deal effectively with difficult issues only when people are able to communicate problems in an environment of trust and openness. This is the same in the natural world, where relationships between entities depend on their interaction among growing and conflicting elements. Therefore this requires less than a mechanistic approach because the management of change within an ever-changing environment is somewhat like the management of an organic, living and growing entity.

Highly skilled knowledge workers find it difficult to function within hierarchical organisations which use power and control to manage large low-skilled workforces (Graetz et al., 2002, p. 134). Which is why traditional Taylorist structures are not adequate in responding to complex environments that are driven

by new technologies, greater customer demand, and the global marketplace. Cummings & Worley (2001, p. 38) add to this criticism by pointing out the lack of information and knowledge regarding features, outcomes, mechanisms of change. In addition, there is not enough knowledge available on all the variables that could influence change strategies, and how these variables differ relative to situational changes. A lot more research and debate, as well as rigorous assessment and measurement, are needed to fill these gaps.

For many decades, the planned, top-down approach worked well because the pace of life was slower, managerial authority was rarely challenged, jobs were more secure and the environment was more stable (Youngblood, 1997, p. 8; Peters, 1987, p. 7; Flower, 1993, p. 50; Beer & Nohria, 2000, p. 14). However, rapid developments in information and communications technology, overloaded systems, better-informed employees, worldwide access to information, family life demands, and the roles of men and women, have caused a revolution. Turbulence in society has created uncertainty and complexity, and moved organisations to new approaches and worldviews. Broader accesses to information and knowledge through a variety of media has spread information more widely across organisations, not just those privileged in top management structures. As a result, top management has become removed from customers and operations, and the problems on the factory floor are less likely to be communicated upward in a firm managed from the top.

What it has come to is that the rational, controlled and orderly process associated with planned change may seem comforting but, as the planned change critics have warned, this perception is seriously misleading because sudden changes in the environment can severely affect an organisation's plan (Cummings & Worley, 2001, p. 39). Such erratic and unforseen influences can throw the organisation completely off its track to the extent of total chaos and disintegration. They also warn that evolving variables may render the organisation much more unstable and disorderly than may be perceived by unwary managers.

Therefore, new approaches to change have thus been developed because fast changing environments demand more contingent methods that are more

situational. The change strategies adopted would therefore have to achieve maximum fit with the ever altering environment.

3.4 Emergent approaches to change management

It is important to note that many recent models of Organisational Development (OD) and planned change were developed because of pressures from the environment and recognition of the reality of postmodern organisations. Interestingly, contemporary adaptations to action research address imbalances in power and resource allocation across different groups; furthermore, action researchers are becoming instigators of change processes (Cummings & Worley, 2001, p. 477; Holtzhausen, 2000). Another contemporary development of the OD models is the integrated strategic approach (ISC) where participation is encouraged such that all employees are involved in the analysis, planning and implementation process, which means working together towards (1) improving coordination and integration of all subsystems, and (2) creating shared ownership and commitment (Cummings & Worley, 2001, p. 485). Transorganisational development (TD) has emerged because of the realisation that everything is interdependent and organisations are part of a bigger system. TD is a form of planned change that enables organisations to collaborate with each other in the sharing of resources and risk, or mergers and acquisitions (Cummings & Worley, 2001). These paradoxical and revolutionary developments are in line with the emergent approaches to organisational change to be discussed from here on.

Senge et al. (1999, p. 10) suggest that organisations should approach change less like managers and more like biologists in order to achieve sustained change, as stated here,

> *This requires us to think of sustaining change more biologically and less mechanistically (p. 10).*

Similarly, McDaniel (1999) observe that new approaches to management bring the freedom of less control, and the result is a more organic, holistic and ecological organisation, or "living systems". To this extent, Youngblood (1997, p. 28) also notes that,

Living systems operate in complex environments where centralized control would be a one-way ticket to extinction (p. 28).

In these terms, organisations which operate like living systems are more open, flexible, creative, balanced, and respond more effectively to the changes in the environment. These organisations are also more caring because they strive harder for a healthy relationship with groups who could influence or be influenced by the organisation (Youngblood, 1997, p. 34).

In brief, emergent approaches to change have the following characteristics in common, as extracted from Burnes (1996, p. 193):

◆ change is seen as a continuous process of learning and experimentation in order to adapt and align to a turbulent environment;

◆ small-scale changes over time can lead to larger changes in the organisations; managers should create a climate of risk-taking and empower employees through participative management of the change process;

◆ managers should create a collective vision to direct the change process; and

◆ key activities should be information-gathering, communication and learning.

The characteristics of these emergent approaches, as identified by the 1998 Harvard Business School conference, are based on building organisational capabilities for the long run of a business (Theory O). These characteristics serve as antipole for the planned change approaches:

(1) purpose: developing long-term organisational capabilities;

(2) participative leadership style and the importance of dialogue;

(3) focussing change on culture;

(4) change efforts are non-programmatic and emergent;

(5) less emphasis on financial incentives as a driver for change; and

(6) involving small process-oriented consulting firms.

3.4.1 Purpose: developing long-term organisational capabilities

Within this paradigm is the emphasis on developing an emotional commitment from employees so that they become involved in the improvement of the organisation's overall performance, which affects significantly the organisation's financial success (Beer & Nohria, 2000). Work environments driven by such high commitment are usually more productive than environments driven by compliance (Senge et al., 1999). Compliance driven change is often more effective if it is short-term, and the employees accept it with more ease. Long-term change, therefore, needs to be constantly driven because employees tend to resist change on an ongoing or long-term basis. There is also a risk of perceived exploitation, which gives rise to the employees' lack of acceptance (Johnson & Scholes, 1999). If a change initiative can be 'driven' through learning and building capabilities, such that it can sustain itself without being pushed, it will have the potential to last. 'Learning-capabilities'-change paradigms create commitment, which in turn contribute to improved relationships. The organisation thus becomes a self-perpetuating system of growth and development, leading to shareholder returns on investment (Senge et al., 1999, p. 41). For this reason, Senge (2000) believes that organisations that follow a single objective of managing change for greater profit might fail to recognise the factors that are crucial to economic success. He argues that,

> *organisations are nonlinear dynamic systems in which there are many unintended consequences when direct linear action is taken (Beer & Nohria, 2000, p. 14).*

In terms of the living system analogy, learning capabilities are like an "interplay of design and emergence" (Senge, 2000, p. 78). That is, just as the design of the human body lies in the possibilities of emergence through evolution, an organisation's design should be less and less predictable and structured, so that it has a greater ability to change. A further distinction is made between function and purpose. As Senge expands, function is normally specified and entrenched in any organism's design; for example, the function of an organisation is to create return on investment for its shareholders. However, just as the human body needs oxygen

to survive (function), the human being also needs purpose and meaning in life and within the bigger community. In a similar sense, an organisation ultimately needs to contribute more than just its economic value to its environment; that is, it needs to be socially responsible to the community within which it functions. Adding value is therefore the function of an organisation, and this change is possible only if the design of the organisation permits it. For emergence to take place, an organisation needs to change its sense of purpose.

3.4.2 Participative leadership style and the importance of dialogue

Participation implies involvement in strategic decision-making through workgroups and teams as well as in the setting of the organisational strategic agenda (Johnson & Scholes, 1999). Organisations that follow participative change strategies have high levels of involvement, collaboration and dialogue from all levels regarding the change process (Beer & Nohria, 2000, p. 14). Involvement builds the trust and commitment essential for long-term relationships which in turn contribute to continual improvements of performance. This is important since current organisational conditions of technological and political complexity require teams of committed people to work together to achieve long-term change (Bennis, 2000, p. 114). Furthermore, effective change within a turbulent and chaotic world calls for a strong alliance between the workforce and management, and as Bennis (2000) points out,

> *The truth is that adaptive problems require complex and diverse alliances. Decrees, ukases, orders do not work (p. 118).*

A few factors in top-down change management make enhancing participation difficult (Dunphy, 2000). Organisational structures are often designed as networks or teams that function with an equal command structure. In such cases, agreement for change decisions has to be negotiated amongst partners. Furthermore, hierarchical command structures are not always consensual, so CEOs often need to apply persuasive techniques to get top managers to agree on change issues. Another problem with top-down strategies is that some employees have developed a sense of cynicism and distrust in their leaders because of past badly managed restructuring, downsizing, mergers, acquisitions and retrenchments. Those who

have been retrenched and those who remain tend not to view the next round of major changes, directed from top management, with enthusiasm and loyalty.

Bennis (2000) believes that successful organisational change occurs in an environment that has vast cultural differences and diverse participants where leaders are listeners and followers rather than heroes and icons. As Dunphy (Dunphy, 2000) similarly observes, where there are more minds with varied opinions contributing to solving complex problems, there will be better solutions to be found. Tolerance and acceptance of differences and diversity are characteristics of this type of environment. However, as Dunphy (2000) also notes,

> *It demands a climate of trust and mutual respect that is easily destroyed*
> *by unilateral control and management of fear (p. 134).*

Therefore, an important condition for participation is that all participants are well informed, knowledgeable and equipped to make contributions of any value. As Dunphy (2000) explicitly points out, while low-skilled workers with repetitive jobs might not be interested in participating in the strategic direction of the company, higher skilled workers might. Therefore, as the knowledge and skill levels increase, the need for participation also increases. The higher the educational levels and information richness of the workforce, the better the employees' understanding of the markets and the operational and strategic environment, and the more they can contribute to the strategy. Therefore the responsibility of management is to invest in the skills and corporate capabilities of the workforce in order to ensure meaningful participation on all levels.

3.4.3 Focusing change on culture

Organisational culture, according to Cummings & Worley (2001), refers to the

> *pattern of basic assumptions, values, norms, and artefacts shared by*
> *organisation members (p. 502).*

Culture provides guidelines for employee behaviour, interaction patterns, measurement of work, and expectations. There are at least three layers or levels of corporate culture (Johnson & Scholes, 1999; Cummings & Worley, 2001). At the first level, the taken-for-granted assumptions are at the core of organisational

culture; these are non-debatable and form the paradigm of the organisation. At the next level, values and norms describe what is important in the organisation and they are issues that employees can discuss; they are often written down as the mission and goals of the organisation (Johnson & Scholes, 1999). The shallowest level is artefacts. These are the visible attributes stemming from the deeper values and norms, such as observable behaviour of employees, the rules, regulations and physical aspects of the organisation (Cummings & Worley, 2001).

Change strategies driven by culture articulate a clear set of values and principles in order to create an emotional commitment from employees to drive transformational processes (Beer & Nohria, 2000). Change strategies that set on changing merely the structures or systems will not automatically change the culture; however, changes in culture will give these structures or systems legitimacy (Hirschhorn, 2000, p. 161). Hirschhorn (2000) believes that structure is actually a combination of interrelated relationships of people, and is thus socially constructed. Structure represents the moral order of the organisation. People do not feel comfortable with changes to this moral order and will resist it under normal circumstances, which means that it takes a crisis to create a condition and opportunity to change. These conditions and their interrelated relationships are discussed in more detail in the next chapter.

3.4.4 Change efforts are non-programmatic and emergent

With emergent change processes there is rarely a single process or programme in place, neither is there a single person or specific designated group responsible for the change process (Beer & Nohria, 2000). On the contrary, according to Weick (2000), organisations change because of a natural process of continuous learning. Within this paradigm, top-management facilitates the learning process, not by trying to manage it from the top, but by creating an environment for experimentation.

The foundations for emergent change are communication, relationships and dialogue, together with strategy evolvement, unplanned innovations, and small actions with unexpectedly large results.

Weick (2000, p. 227) points out many liabilities of planned change, including management ignorance and short-sightedness with regard to the long-term consequences, that is, in such terms as relapse, low morale, costs of unforseen events, long feedback loops, lags in implementation, and many more. As Weick points out inertia causes companies to lag behind changes in the environment because these are viewed and managed as if they are solid structures, which have to be moved forward in a linear fashion towards an improved state. The systems perspective of organisations describe the interrelated parts of such a system as being mutually dependent to the extent that they become tight and stagnant in equilibrium. They need a crisis to force change and a plan to implement it. However, a different perspective of organisations could deflate the role of inertia. This alternative approach is an emergent approach and it emphasises the dynamic process of extricating and rebuilding, rather than on the mere structure of the organisation. Organisations that function within the emergent paradigm recognise interdependent relationships as loose, ever-changing and transitory. These relationships, as Weick (2000) states,

> *take the form of candid dialogue that mixes together trust, trustworthiness, and self-respect (p. 233).*

In this respect, participants need to stay in the perpetual motion of change, paying constant attention to the process.

The specific characteristics of emergent change with respect to postmodern perspectives of change are discussed in more detail in the next chapter.

3.4.5 Less emphasis on financial incentives as a driver for change

Business and philosophical management writer, Handy (2002) argues that,

> *to turn shareholders' needs into a purpose is to be guilty of a logical confusion, to mistake a necessary condition for a sufficient one. We need to eat to live; food is a necessary condition of life. But if we lived mainly to eat, making food a sufficient or sole purpose of life, we would become gross. The purpose of business, in other words, is not to make a profit, full stop. It is to make a profit so that the business can do something more or better. That "something" becomes the real justification for the business (p. 51).*

According to Post et al. (2002), although an organisation's success depends on the accumulation of resources and its competitive advantage, it is ultimately

> *overt and transparent commitments to humanistic practices, honesty, and fair dealing (p. 243)*

that contribute the most to performance. Healthy relationships with stakeholders are essential for the survival of an organisation, as well as for the creation of organisational wealth. The wealth of an organisation can be achieved through commitment and constant adaptation to the volatile environment.

It seems that many authors in both academia and in the workplace do not oppose the use of financial incentives as a motivator for change; however, Ledford & Heneman's (2000) believe

> *that compensation as a lag system is superior to compensation as a lead system (p. 312).*

Ledford & Heneman's (2000) reviews of academic and popular literature show universal support for the idea that a complex network of various factors should be aligned to meet business needs. Furthermore, compensation systems should be derived from the organisational strategy. Other factors such as organisational structure and culture, as well as human resource systems, also provide compensation directives. More interesting is the argument that because financial incentives carry a lot of emotional baggage, when organisations do use them to lead change, the change effort is more likely to be charged with employee resistance. The value of reward systems can only be assessed by the people who receive them; therefore, they should be included in the decision-making process, which means using open, honest and continuous communication should be promoted throughout the organisation (Graetz et al., 2002; Lawler, 2000). Not only should the reward system be moved downward to the people involved, but they should be provided with information, knowledge and power to improve the decision-making and implementation processes regarding these reward systems.

3.4.6 Involvement of small process-oriented consulting firms

Proponents of the use of small consulting firms argue that the larger the projects and the larger the firms involved, the greater the chances that the client organisation will lack the implementation skills and motivation to take full advantage of the consultants (Schaffer, 2000). In order to create a learning organisation, it is therefore more feasible to have smaller projects with measurable objectives so that the organisation can realistically implement (Beer & Nohria, 2000). Consultants should guide organisations through the process of change by facilitating decision-making through analysis, communication and participation of employees (Schaffer, 2000). Miles (Miles, 2000) takes this one step further in suggesting that the greater the requirement for planned change, the higher the impact of the changes; consequently, the more employees are involved, the more the organisation will learn from the change experience. This calls ultimately for high impact through large scale change efforts with the full involvement of relevant stakeholders through dialogue, feedback and empowerment.

3.5 The influence of size and structure on the change process

Burnes (1996) mentions that some theorists argue that size is the key variable that can have a significant influence on the design and change strategies followed in organisations. It is argued that the more organisations grow in size, the more they will have to be more controlled and have mechanistic structures in place. Large organisations would also be more formalised in their processes(Robbins & Barnwell, 2002). The reverse was also found by a group of researchers known as the Aston Group (group of British researchers from the University of Aston in Birmingham): the smaller the organisation, the more it was likely to follow more organic and flexible approaches to strategy and change.

According to Quinn's (1998, p. 148) discussion of the effects of incremental change strategy formulation, there are many factors that may influence how large-scale organisation changes. To list a few, the amount of players, the environmental conditions, and competitor's responses, are some of the factors that may influence the pace of incrementalism. On the topic of size Quinn notes that interestingly,

smaller systems do not have the inertia, political power play or the history of previous relationships that could influence changes. As Quinn (1998) points out,

> *Thus the nature of strategy formulation often seems - and can be—more instantaneous and centrally controlled in smaller organisations (p. 148).*

But Quinn also notes that many enterprises, especially large ones, have failed to make strategic changes with a structured centrist approach, so incrementalism are highly situational. Researchers have furthermore, not been able to establish a causal link between size of organisation, and performance and effectiveness of change strategy (Burnes, 1996; Robbins & Barnwell, 2002).

The complex process of strategic change should therefore be approached holistically, and taking into consideration all possible complexities. Mutual feedback should be provided on all dimensions of the change and interactive testing should occur around all the possibilities of change.

3.6 Summary

The elements outlined above relate to two approaches or schools of thought in change management. Within the views of Newtonian science, organisations operate according to deterministic, predictable and stable modes (McDaniel, 1997, p. 21). As such traditional management sees its role within this paradigm as reducing conflict, creating order, controlling chaos and simplifying all the complexities created by the environment. Possible outcomes are predicted and alternatives for action are planned, and these are communicated throughout the organisation. If these predictions turn out to be false, management would perceive them as being a mistake. The classical ontology of management science relies heavily on the premise that systems that change cause conflict between parties involved or influenced by the system (Dennard, 1996, p. 495). Risk and surprise should always be avoided, so the company's performance is plotted out and strategically planned. As a consequence, variations and disturbances are signs of poor management (Youngblood, 1997, p. 20). Large mistakes are the consequences of large causes. Conflict or crises result from poor planning and poor control. If people are confused and uncomfortable, management sees it as a problem that needs to be addressed (Flower, 1993, p. 50). In this mindset, systems are expected to run

smoothly and according to tried and tested models and programs. Structure and control by having a finger on everything is the only way to keep systems from disintegrating into total chaos and, ultimately, destruction (Wheatley, 1994, p. 23). Change, according to this worldview, is seen as "overcoming variations to ensure the status quo" (Youngblood, 1997, p. 54).

The classical management approach, which is still followed in many organisations, 'buys' productivity and employee loyalty with offers of benefits and compensation (Youngblood, 1997, p. 118). Income level and the employee's worth are measured by the income earned or income level. If employees do not perform as expected, 'negative feedback' is used to 'take control' of the situation. This 'negative feedback', as Youngblood (1997) observes, includes activities such as

> *planning, budgeting, measuring, performance reporting, analysing and summarizing (p. 54).*

In effect, problem-solving strategies are the answers to problems in the organisation. Boundaries in the form of rules, authorisation levels and well-structured organisation charts create stability, while behaviours are channelled by the organisation's deeply embedded culture of procedures, norms and policies (Youngblood, 1997, p. 5).

In contrast to the traditional planned approaches of change the emergent approaches to change management focus on building organisational capabilities; involving all participants; change of culture in stead of structures; emergent transformations; using incentives for support; and finally on using small and process-driven change consultants.

This chapter has expanded on the characteristics of change approaches to change by examining traditional approaches to change and contrasting those to emergent approaches. To conclude this section on change approaches, it is vital to note that most organisations tend to follow a combination of the planned and emergent approaches to change management, depending on their circumstances and the specific objectives of the organisation (Burnes, 1996, p. 338; Beer & Nohria, 2000). Some theorists suggest that in a stable environment where small, localised changes are called for, the changes are more planned, and focus is placed

on technical and structural changes (Burnes, 1996). Emergent approaches seem apt in a turbulent environment where changes affect the whole organisation, and the focus is more on human resources and behaviours. One may question whether the world we live in will ever be considered stable, and whether we can afford to plan when the future is influenced by a myriad of unpredictable variables. If we answer in favour of emergent approaches, the implications for communication management are profound. The following chapter will expand on the notion of an emergent approach, and its implications on change and communication management.

OVERVIEW OF CHAPTER 4: *Emergent Approaches: Postmodernism, Complexity and Chaos Theories*

CHAPTER 1: INTRODUCTION → INTERPRETIVE APPROACH → CRITICAL PARADIGM → POSTMODERNISM → CHAOS AND COMPLEXITY THEORIES → RELATIONSHIP MANAGEMENT

Background

Key concepts

Conceptual framework

Research statement, objectives, design & methodology

Findings, Conclusions & Implications

| CHAPTER 2: STRATEGIC MANAGEMENT & CHANGE | CHAPTER 3: APPROACHES TO CHANGE MANAGEMENT | CHAPTER 4: EMERGENT APPROACHES | CHAPTER 5: RELATIONSHIPS & RELATIONSHIP MANAGEMENT | CHAPTER 6: METHODOLOGY | CHAPTER 7: FINDINGS | CHAPTER 8: CONCLUSIONS & FURTHER RESEARCH |

Critical theories of
  organisations
Postmodernism
Complexity theory
Chaos theory &
  chaotic concepts
Similarities between
  postmodernism,
  chaos & complexity
  theories

METHODOLOGY & THEORY LINK

	Independent variables		Dependent variable	
Change management	Planned approach *Scenario A*	Emergent approach *Scenario B*	Relationships	Validity & reliability testing

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CHAPTER 4:

Emergent Approaches: Postmodernism, Complexity and Chaos Theories

4.1 Introduction

This chapter expands on the metatheoretical approach of this thesis, which was briefly outlined in Chapter 1. More specifically, postmodernism, chaos and complexity theories will be elaborated. Both chaos and complexity theories are considered postmodern theoretical approaches in this thesis. Arguable similarities and differences between all three theoretical approaches can be found at the end of this chapter.

4.2 Postmodern theories of organisations

Metatheories consider notions that are beyond the theories themselves, including the way theories are viewed and approached (Reinard, 1998, p. 48). Littlejohn (1992) also describes a metatheory as a

> *body of speculation on the nature of inquiry that goes beyond the specific content of given theories (p. 29).*

This implies that metatheory comprises of or encapsulates many different theoretical perspectives and has a multi-disciplinary approach. *Postmodernism* is an example of a metatheoretical approach. As Cova (1996) puts it, postmodernism refers to

> *a philosophical perspective replete with epistemological assumptions and methodological preferences (p. 16),*

which places it on the level of metatheory. Postmodernism spreads over different fields of study and domains and it offers a re-conceptualisation of how we view the world around us (Chia, 1995, p. 579; Cova, 1996, p. 16).

4.2.1 Postmodernism

Although there can be no unified postmodern theory or collective set of approaches to mark postmodernism (Kilduff & Mehra, 1997, p. 455), it is possible to say that there are countervailing trends in postmodernism. As Cilliers (1998, p. 114) puts it, postmodernism is: "incredulity towards meta-narratives", which is a contrast to modernism, which appeals to meta-narratives. In organisational terms this implies that organisations should challenge what it traditionally holds as sacrosanct, namely, its culture, legends of how it came about, how it creates meaning; in other words, its meta-narratives (Sherman & Schultz, 1998, p. 28; Kreiner, 1992, p. 37).

In terms of the broad concept this means that different groups within society take on different perspectives of reality and truth, each trying to make sense of their environment in order to achieve their goals and to give meaning to what they perceive and experience. Since these approaches or views are created out of unique circumstances of each group, it is impossible to unify or conform these views into one single grand account or description of reality (Kreiner, 1992, p. 38; Cilliers, 1998, p. 114). Postmodern authors such as Derrida, Foucault, Lyotard, Jameson and Baudrillard reject the Marxist idea that material reality determines social forces; rather that society is determined by information through the media (Cova, 1996, p. 15; Mickey, 1997, p. 271).

Postmodernism is termed as a response to the failure or natural consequence of the shortcomings of modernism. Implied here is the underlying question about the rationality of the scientific approach to theory (Jackson & Carter, 1992, p. 1; Cova, 1996, p. 16; Chia, 1995, p. 579). Cova (1996, p. 15) describes postmodernism as the integration of new models into a "generic perspective on life and human condition" and an epochal swing from modernity, breaking free from functionality and rational thinking. He adds that postmodernism rejects epistemological postulations, contends methodologies, refutes accepted theories, and contrasts modernist realities in almost every sense. Theory and science according to the postmodernists can never be seen as the truth, rather an interpretation of the theorist at a certain point in time (Holtzhausen, 1999). It is important to mention, however, that postmodernism is inexplicably connected to modernism in that postmodernism is the modern in an embryonic state. It can only be articulated

through the modern while the modern can only be expressed as a passing phase of the postmodern (Chia, 1995, p. 580; Cilliers, 1998, p. viii; Cova, 1996, p. 16).

Postmodernism is considered a critical theory and consists of a loose group of ideas or theories brought together by their interest in the quality of communication and influence on society (Littlejohn, 1992, p. 16). Critical theories borrow from other genres of communication, especially from interactional-conventional theories which acknowledge the way in which communication can influence culture. Postmodernism also shares with interpretive approaches the concern over language and how it brings about changes in society. As Littlejohn (1992, p. 16) points out, critical theories examine values that can be used to criticise institutions, powerful groups in society and systems. In other words, critical theories, such as postmodern theories, are "powerful agents for change" (1992, p. 17).

Postmodernism describes an era depleted of a dominant ideology or suggested worldview, and is satiated with paradoxes, juxtaposed assumptions, and diversity of styles and views (Cova, 1996, p. 16). It is through this continuous struggle that ideology is shaped and meaning is created because, as Holtzhausen (1999) puts it, "an ideology can only exist with some opposing ideology". Some of these paradoxes or binary oppositions are the 'truths' of men's dominance over women, speech over the written word, and logical reasoning over the natural flow of the world. Postmodernism questions the legitimacy of an absolute, objective core of meaning and truth and the use of binary oppositions that imply the superiority of one meaning over another.

Discourse is an important concept in postmodernism and refers to the use of language in communication by "forming structures and conveying meanings" (Holtzhausen, 1999). Holtzhausen (2000) explains that meaning is not formed through language itself but through the debate or discourse of different points of view, as well as in the ways knowledge is structured. Discourse thus creates and structures ideas, beliefs and ideologies.

Postmodernism criticises language and culture; moreover, it propagates critical thinking as a way of achieving greater political autonomy (Mickey, 1997, p. 272). Critical theory sees the media not only as entertainment, but also as forming

society's way of thinking about the world. The media, as Mickey (1997, p. 272) puts it, is "a consciousness industry".

Although Holtzhausen (1999, p. 42) argues for a holistic societal approach to the study of public relations rather than restricting the study to a mere organisational perspective, this thesis, however, does concentrate specifically on organisational change and, more importantly, thus the impact of postmodern views and approaches on organisations. It must be stressed that a holistic approach is not denied here, but is in fact advocated since organisations and public relations are considered a part of society's macro-system.

4.2.2 Critical and postmodern views of organisations

Postmodern architecture has been described by Kilduff (1997)

> *as combination of modern techniques with something else in order for architecture to communicate with the public and a concerned minority (usually other architects) (p. 457).*

This definition can easily be adapted to postmodern organisational theory in the way that it consists of a thorough knowledge of traditional management techniques, as well as the applicability to contemporary external and internal organisational settings. Eclectic perspectives are interwoven, and boundaries that were used to differentiate between academic approaches or disciplines are totally ignored. Postmodern organisational research is seen as combining various research methodologies to challenge dominant models of knowledge, and to produce new forms, or often under-utilised forms of research.

From a management perspective, postmodernism has emerged out of post-industrialism as a way of questioning and criticise the relevance of business thinking during the Industrial Age (Sherman & Schultz, 1998, p. 27). The paradigm shift from a mechanistic worldview to a more organic worldview of management, has now promulgated the view of organisations as organisms not exempt from natural laws of evolution and transformation. Modernist approaches may have ceased to contribute to the development of management theory, and postmodernist approaches have stripped modernist concepts of its rational objectivity (Chia, 1995, p. 580; Jackson & Carter, 1992, p. 1).

Many theorists such as Jackson & Carter (1992, p. 2) have criticised the body of management knowledge that is repeatedly taught and used in industry and training as deeply flawed, and "not producing the returns promised" (Jackson & Carter, 1992, p. 2). The integrity and effectiveness of management theory is being questioned on all levels. Kreiner (1992, p. 38) especially notes that in postmodernism the frames of reference of management and organisational theory are blurred because of the improbability of identifying a common theoretical paradigm. In other words, it is difficult to distinguish basic assumptions and clearly defined methodological borders. Consequently, the use of scientific methods to create and understand organisational epistemology is ignored; even popular literature on the organisational experience is accepted as valid depictions of reality.

As Chia (1995) points out, a hyper-reality has been created out of language where words such as 'organisation' and 'competition', which support modernist discourse but ignores the real nature of organisations. Modernist concepts have ironically made it difficult to get to the 'truth' about organisational life. The validity of modernist management thinking is questionable; it s more fad than empirical theory (Jackson & Carter, 1992, p. 2). Furthermore, modernist management theories pursue courses of action that are disadvantageous to the organisation such as chasing profit at the detriment of the ozone layer. As Kreiner (Kreiner, 1992 p. 39) argues, organisational practices and formal structures are "masks" or manifestations of organisational culture.

Jackson & Carter (1992, p. 4) criticise of modernist management practices and education as being more like theology than science,

> *requiring acts of faith on the part of its adherents and their acceptance*
> *of a belief that modernist management knowledge works, independently*
> *of whether it does or not (p. 4).*

Similarly, according to Kreiner (1992, p. 39), actors in the organisational game use symbols and structures to create meaning but the 'truth' of these formal representations are questionable. These "actors" or role players ought to constantly remind themselves that the organisational environment is only a theatre, and the challenge lies in not falling into the trap of taking these roles too seriously, but to participate ethically.

In Chia (1995), a further distinction made between modernist and postmodern thinking with respect to organisational studies, where modernism sees organisations as

> *isolatable real entities or attributes which can be systematically described and explained and, therefore, meaningfully compared (p. 583).*

Knowledge in organisations, in effect, is seen as attempts to reflect what is 'out there', that is, representationalism, which is an ontology of being entrenched in modernist thought. As Chia sees it, even when modernists talk about *process*, they are referring to "static process" that is discrete, linear and sequential. In contrast, postmodernists would refer to process as of intricate patterns and networks of interactions and relationships.

'Resistive postmodernism' offers some radically new understanding of the discipline of management where the apparent authority of science and its power of rationality and objectivity are questioned (Jackson & Carter, 1992, p. 2; Kreiner, 1992, p. 1). The emphasis is now placed on ambiguity, conflict, debate, uncertainty, ideology, subjectivity, relativity and diversity. More profoundly, the unquestioned soundness of capitalist practises is challenged in order to make more room for humanistic values such as creativity and quality of life.

4.2.3 Postmodernism and public relations

It must be stated upfront that the view of public relations that is being criticised by postmodernists coincides with the asymmetrical models of public relations such as the press agentry model. As Grunig et al. (2002) note, in these models, communication is

> *one-way, top-down, and designed to control the behaviour of employees in ways that management desires... Asymmetrical communication remains popular among dominant coalitions that strive to increase their power and to control others, rather than to empower employees throughout the organisation (p. 487).*

Asymmetrical models have the specific aim to persuade publics to do and think what organisations want them to do and think. However, recent models and

theories of public relations have moved away from the use and management of the image of organisations to the management of reputation (Fombrun, 1996; Grunig et al., 2002).

In contrast, the symmetrical views of public relations, as propagated by theorists such as Ledingham (2000), Grunig et al.(2002), and Grunig & Huang (2000), are considered more ethical, two way symmetrical, and more responsible towards the publics (Grunig, 1992, p. 308) than is regarded in the postmodern view of public relations (Holtzhausen, 1999, p. 26). Taking this into account, the more positive models, namely, the way public relations is mostly practised in industry, as criticised by the postmodernists are examined here in this thesis.

According to Cova (1996, p. 16) and Mickey (1997, p. 2), this is considered the publicist or journalistic view of public relations and communication management, where symbols and the texts are produced as vehicles or events to communicate with publics. The focus of this interaction is the exchange or action itself, not the message or material exchanged. The media and messages are not reflections of reality but a creation of the mind, that is, hyper-reality. Language and culture create reality for society. In this case the question of practising public relations ethically and responsibly is inevitably raised.

Holtzhausen (1999) proposes that postmodernism provides a critical approach to public relations because it focuses on questioning our ideas about society, organisations and how they function. Modernism has produced systems and institutions that justify domination and control over groups that want to break away from coalitions that were in power. Public relations is a product of modernism and capitalism, which aim at safeguarding the status of organisations that comply with the capitalist system (Holtzhausen, 1999, p. 24).

On the contrary, according to Mickey (1997, p. 3), postmodernism sees public relations as "a statement of difference", where the people involved look for symbolism, ethical codes and social scripts in all communication. Public relations is the creation of images which have become more important than reality itself; and what society perceives and believes are desires and images attached to the true idea but not the truth itself. Baudrillard, an important contributor to postmodernist

thought, describes public relations as depending on the media to create a society that is bounded by consensus (cited in Mickey, 1997, p. 3). The signs used in public relations, such as company logos and image, are not signs of reality. As Mickey (1997, p. 6) also notes "if an organisation or a cause does not create a sign, it is not heard". The powerful and rich have the means to create these symbols and signs; but once they are created and stored, counter-signs tend to compete with difficulty.

Postmodernism further criticises public relations for imploding boundaries between images, entertainment and politics (Holtzhausen, 1999). This entropy in society causes a collapse of borders where distinctions between classes, cultures, political approaches and, essentially, between image and reality.

When Cova (1996, p. 15) examines postmodernism from a marketing perspective, a number of public relations assumptions and paradoxes can be deduced. The hyper-reality that Cova sees is a model of the 'real' without source or truth; namely, Disney World, Universal Pictures, IMAX theatre, computer games, and the Internet's cyberspace. Society now prefers the image, hype, or simulation to the 'real' thing and all depth and substance are lost. Trying to see the essence and meaning underneath the superficial image is therefore a futile exercise "The image is the substance" (Cova, 1996, p. 17). Consumers use products not for the functionality of the product, but the image portrayed by the product. Juxtaposed upon this is that the consumer has becomes a protagonist in the creation of their world, wanting to part of process, and needing to participate. From this public relations perspective, individuals want to be part of the creation of relationships with organisations with regard to those issues that touch their lives. Ultimately, according to Cova (1996),

> *The essence of postmodern experience is participation: without participation, the consumer is merely entertained and does not experience (p. 18).*

Individual members of the public create different subjective meanings from messages, as they join groups that identify with their changing concerns (Cova, 1996, p. 18; Holtzhausen, 1999, p. 38).

Another juxtaposition proposed by Cova (1996, p. 18) is individualism versus the importance of community: the postmodern society is fragmenting because of developments of technology. Consider how individualism and free choice are promoted through the availability of online shopping, while virtual tribes are formed without the necessity of face-to-face communication, as through emails. Individuals can no longer be classed as according to modernist tools of sociological analysis. Holtzhausen (1999, p. 34) echoes this insight in suggesting that shared meaning can be used as a postmodern segmentation technique. The classification of groups according to socio-economic class or social status is further complicated by the flexible positions of individuals as according to their different needs or roles (Cova, 1996, p. 19; Holtzhausen, 1999, p. 35).

Other contrasts and paradoxes from the postmodern marketing perspective with regard public relations is the juxtaposition of relationship marketing and the individual through communal marketing. This is a personal approach, with the aid of computerised information systems would be where the marketer reacts to the immediate needs of consumer and attempts to build a trusting relationship with them. Recommending at the same time that the consumer might want to link to the rest of the community, the marketer may extend this as an invitation to become part of the firm. In this way, the postmodern approach to public relations recognise the building of relationships between organisations and its publics as the most important function of the practitioner (Ledingham & Bruning, 1997, p. 24). The borders between the organisation and its publics are therefore to be eliminated so that the publics can become part of the organisation and their creation of meaning (Sherman & Schultz, 1998, p. 169). This also means moving away from data based segmentation to qualitative and participatory approaches, such as action research and ethnography (Holtzhausen, 1999, p. 28).

From a marketing perspective, Cova (1996) recognises that image marketing and branding are closely related. In particular, branding from a postmodern perspective is important because people make decisions based on the images associated with decisions. Advertising and publicity are powerful mechanisms that transfer meaning from the constituted world to the product or idea. At the same time, Cova (1996) recognises that consumers are not passive targets for image marketing but are actively involved in the creation of meaning.

It is a fundamental shift in the role and purpose of marketing: from manipulation of the customer to genuine customer involvement, from telling and selling to experience and sharing knowledge and emotions (p. 20).

In other words, this is *participatory marketing*. This same shift is present in public relations where publics want to be active participants in the creation of meaning (two-way symmetrical model) as opposed to being persuaded by the organisation (asymmetric models) (Grunig, 1992; Spicer, 1997; Holtzhausen, 1999, p. 39; Grunig et al., 2002, p. 308). According to Cova (1996, p. 22), this is as *ethno-marketing* from a marketing perspective, and "participation is the essence of postmodernity". In a similar vein, and from the viewpoint of public relations, ethno-public relations should enable practitioners to transfer meaning ascribed to issues from organisations to publics, and vice-versa, in an atmosphere of trust.

When looking at public relations from the cultural and critical studies perspective, the concern is not with the text alone but with what the text actually communicates to society (Mickey, 1997, p. 7). People are struggling to live sensible lives, while the signs they live by grow more meaningless. Postmodernists plead for a more critical view on all the signs used in the hands of powerful groups, and propose that images should be debated and questioned. If images portrayed and enhanced by the media are not questioned they become part of public opinion. The danger is that these images are very often a false version of reality (hyper-reality), thus degrades public relations to 'spinning' or mere publicity.

To reiterate, that postmodernism is characterised by the co-existence of different discourses and paradoxes, but with the important distinction of being part of a complex set of relationships and interlinked networks (Cova, 1996, p. 16; Holtzhausen, 1999). This network of our society fabricates knowledge which results in an explosion of information. Moreover, the different clusters in this network have an organic life of growth, constant interaction, participation, change and self-organising processes through which meaning is created. The non-linear relationships in the network of society interact around the competition for resources and boundaries are constantly challenged. In effect, order to create meaning it is necessary for systems to be unstructured and diverse because

diversity creates the potentiality of rich information that can be managed to become knowledge and wisdom.

In short, postmodernism pleads for public relations practice to be transparent, open and democratic, playing an important part in marginalising groups through responsible knowledge management (Holtzhausen, 1999, p. 25). Practitioners should instigate conflict to draw out diverse views but should steer clear of strategies that totalise systems or set up conditions for the *persuasion* model of public relations. As the persuasive model is a psychological approach to public relations, that is, it aims to control the decisions and thoughts of the subject, it would be heavily criticised by postmodernists.

4.2.4 Change, transformation and the role of public relations

Change, in postmodernist terms, is not something that is willed or designed, but is a process borne out of learning, understanding and knowing. This epistemology entails that an organisation should be brave enough to discard an idea if it is outdated or despite its usefulness in the past (Sherman & Schultz, 1998, p. 27). According to Chia (1995, p. 579), modernist thinking has a 'strong' ontology of being, whereas postmodernist thinking has 'weak' ontology, that is, one of consistently becoming, transforming or transient. Because organisations are in constant flux and are thus not representable in a cross-sectional point in time or state, it is suggested that instead of looking at organisational structures, attributes and outcomes, organisations should be studied in terms of interactions, relationships and complex changes. The ontological commitments and theoretical conceptualisations differ, and change is not considered abnormal, accidental, willed or malfunctioned.

Because of the fact that language constitutes our everyday life, transformation can only take place if current discourses are contested and dialogue is encouraged around social and political issues (Mickey, 1997, p. 272). Postmodern theorists argue that power is spread throughout systems in society and should be challenged thereby inherently causing transformation (Holtzhausen, 1999). In this sense, postmodern public relations should play an important role in empowering marginalised groups by empowering all stakeholders through participation.

Furthermore, it should create diversity and dialogue, and especially recognise differences and dissension between organisations and their publics. Postmodernists stress a strategic and holistic view of public relations and discourse; in other words, a critical approach ought to be promulgated to bring about change (Mickey, 1997, p. 2).

Holtzhausen (1999, p. 12) suggests that because meaning is always changing and new ways of understanding are constantly found, the context within which communication occurs should always be considered before there can be understanding. Meaning is socially constructed through interaction and relationships, thus changing society inevitably and continuously occur. In parallel, the struggle for power is also a changing force, constantly affecting all existing relationships. Holtzhausen suggests that the ethical public relations practitioner will serve as a change agent in postmodern organisations by criticising the decisions of dominant coalitions, striving for complete transparency, and creating participatory structures (Holtzhausen, 1999, p. 25; Chia, 1995, p. 580). The emphasis of postmodern public relations practice will lie in conflict management, management of new technologies, raising the level of discourse to a level of struggle, and managing relations with activist groups.

Postmodernist thinking thus justifies an ontology of change, emergence and transformation. The process of becoming in which the temporary and brief nature of 'truth' and reality is therein emphasised (Chia, 1995, p. 581). This ontology recognises that organisations are not mere units of analysis, physical objects or resources, but consist of complex relationships between the entities that make up an organisation. According to Cilliers (1998, p. 113), postmodernism has an implicit sensitivity to complexity theory as it acknowledges philosophical perspectives such as *self-organisation* and *connectionism*, which are crucial to complexity theory, and highly relevant to this thesis. *Complexity* theory will now be discussed from a postmodern perspective.

4.3 Complexity theory

The science of *complexity* is a multi-disciplinary study that has brought new insights into management and organisations. The worldview metaphors and

models offered by complexity theory provide new meanings for managers; in other words, a purposeful sense-making through interaction (Lissack & Gunz, 1999, p. 2).

Complexity refers to the fact that in a system "there are more possibilities than can be actualised" (Luhmann, 1985, p. 25). The distinction between 'complicated' and 'complex', according to Cilliers (1998, p. viii), is this: In a complicated system, the components (such as computers and jets) can be clearly identified; in a complex system, the interaction between the components of a system, and between system and the environment, are so intricate that it is impossible to completely understand the system simply by studying its components. Some examples of complex systems are societies, the brain, organisations and language (Laszlo & Laugel, 2000). A further important characteristic that makes these systems complex is that their relationships and interactions shift, change and transform, which make them even more difficult to study. As Cilliers (1998) points out,

> *A complex system is not constituted merely by the sum of its components, but also by the intricate relationships between these components (p. 2).*

It is not merely a linguistic occurrence, that is, in the way we describe systems that make them simple or complex, but complexity results because of the interactions between subsystems.

Organisations can be considered complex systems particularly when compared to a living system. The use of the word 'system' in this study does not relate to the use of the term as Stacey (2003) suggests. He relates a 'system' to a spatial notion of 'inside' and 'outside' with borders, hierarchical levels and rationalist causality. In this thesis 'system' implies a temporal notion of process based on paradoxical causality in perpetual transformation.

Within the framework of postmodernism, complex systems have the following characteristics pertinent to this study:

Table 4-1: Viewing organisations as complex systems

In complex systems in general	In organisations
Complex systems consist of a large number of elements	Organisations consist of varied elements in different dimensions
These elements all interact dynamically	All the different departments and levels interact constantly in order to reach the organisational goals
The levels of information sharing and interaction in complex systems are rich	All the different networks of organisations interact formally and informally on different level and with different abilities
The interactions are non-linear and asymmetric where small causes can have large effects, and there are power differences that feed this non-linearity	Organisations have many internal power levels and there is constant competition for resources
The interactions cluster together in networks because there are no controlling levels	Organisational information sharing is usually centred around groups that have to perform the same function and have shared goals and expectations
Feedback loops are interlinked in large networks, and information forces the system to constantly transform	Environmental scanning brings new information into the system, which forces it to adjust and transform
Complex systems are open systems that interact with the environment and other systems	Borders cannot be defined
These systems function under conditions far from equilibrium	Organisations that are stable and have no free flow of energy, that is, to force it to transform continuously and fight entropy, eventually ceases to exist
An effect of complexity is that individuals who function within complex systems will never fully understand and know everything about that system	CEO and management could never know everything there is to know about their organisation, therefore need all employees to share and manage information

Adapted from (Cilliers, 1998, p. 119; Lissack, 1999) and applied to organisations

According to Cilliers (1998, p. 10), the interaction of all the subsystems of a complex system, the role of the relationships formed, and the creation of information and knowledge through these interactions form the basis of the complexity approach. In order for a complex system to cope within a changing environment, it is necessary for it to be able to adapt quickly and store information for future use. With regard to representation, Cilliers (1998, p. 11) argues that the substructures of a system must have meaning, which is a result of a process that takes place in an open environment. Meaning is also not something that is
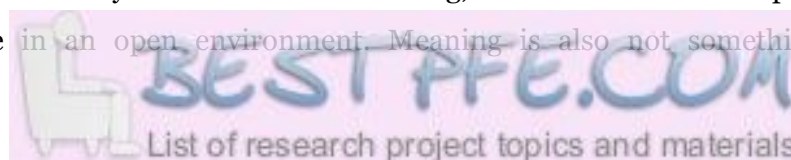
attributed to an element by itself, but is given only in the context of its relation to other elements. In societal terms, this would apply to people in any context, and would imply that a person or groups of people derive meaning from the relationships they have with other individuals or groups in their environment (Stacey, 2003). To the people of Africa, for instance, this principle is deeply ingrained in their culture and they very aptly refer to this concept as 'Ubuntu' (Boon, 1998, p. 31; Harrison, 2003). *Ubuntu* is described through the expression 'Motho ke Motho ka batho' (Sotho) or 'umntu ngumntu ngabanye', which means: *A person is only a person because of and through other people*. Boon (1998) alludes to Ubuntu as not being empirical, and says that it does not exist unless

> *there is interaction between people in a community. It manifests through the actions of people... One's humanity can, therefore, only be defined through interaction with others (p. 32).*

An organisation concept in Ubuntu terms is human interdependence and interconnectivity. This is a true example of complex systems.

Because systems function in complex environments, they must be able to adjust, and as Cilliers (1998, p. 12) argues, systems have to acquire mechanisms to adapt their internal structures to do this. These mechanisms are not centralised controls but rather complex structures that change the flexible relationships between elements of the system. This happens under the influence of the changing environment and the history of the system.

The following sections elaborate on two important characteristics of the postmodern theory of complexity that is pertinent to this study, namely, *self-organisation* and *connectionism*.

4.3.1 Connectionism in complexity theory

Cilliers (1998) posits that complex systems resemble linguistics and the brain's workings, and can be understood in terms of neural networks and artificial intelligence. This is an extension of Saussure's and Derrida's postmodern conceptualisation of complex systems, particularly in terms of the way relationships interact in time through their models of language as systems of differences. In this line of thinking, Cilliers (1998, p. 37) suggests that connectionist

networks are best characterised as "arising through large-scale, non-linear interaction". *Connectionism* is a method of information processing much like the way the brain works; that is, in the way that neurons are intricately interconnected via the synapses in the central nervous system. Information that is passed from one neuron to the next changes because of transfer characteristics of the synapses. Physical characteristics of the receiving neuron also influence the transfer. All these complex patterns of neural stimulation form the basis of the activities of the brain. Each neuron receives inputs from and provides outputs to other neurons. Weights are associated with connections between neurons, and determine the characteristics of the network. Values of weights have no specific meaning, but the patterns of the values in the system as a whole carry information. These patterns are complex and no abstract procedure can describe the process used by a system to solve problems. Complex patterns of relationships provide the solutions of any structure or system (Cilliers, 1998; Laszlo & Laugel, 2000; Stacey, 2003).

Before discussing the significance of connectionism in organisational and communication management, the next characteristic, namely, self-organisation, will now be discussed so that these concepts may be integrated logically.

4.3.2 Self-organisation in complexity theory

'Structure' relates to the internal device developed by a system to receive, encode, change and store information, while the system reacts to such information through some form of output. Cilliers (1998, p. 89) maintains that these internal devices can transform and evolve without the interference of any external creator or some centralised form of internal control. He further contends that a system will develop a self-organising process as a result of complex interaction between the environment, the current state of the system, and the history of the system. This self-organisation process refers to a "spontaneous emergence of order and structure" (Cilliers, 1998, p. 89), and is

> *a property of complex systems which enables them to develop or change internal structure spontaneously and adaptively in order to cope with, or manipulate, their environment (p. 90).*

Stacey (2003) adds to this and describes self-organisation as the process when evolution happens because of selection through dialectic forces of competition and co-operation. The overall behaviour of the system is thus paradoxical.

The characteristics of self-organisation may be understood by the analogy of a school of fish in a dam. That is, the condition of the school should be measured by the general size of the school, its well-being determined by the availability of food, the temperature of the water, the amount of oxygen and light, the season, and the like. These conditions change, and consequently, the size of the school varies and adjusts so that a good fit can be reached between the environment and the system. Out of experience, so to speak, the school will continue to adjust to changes in the conditions. No external force or agent determines how these adjustments are to be made; neither does each fish individually understand the total complexity of the system. The system of 'government' of the school emerges as a result of the interaction between the environment, past experiences (evolutionary processes) and current situation. Interaction between these constituents determines the internal structure and its progress. This system has a recognisable structure — it is able to adjust, and these adjustments do not take place on an individual level, because of the complex interaction between a large number of variables. By this analogy, all these variables are recognisable in organisations and society at large.

The attributes of self-organising systems are as follow (Cilliers, 1998, p. 90):

- The structure of a system is the result of interaction between the system and the environment, not of a predetermined design, plan or external conditions.

- A complex system can adapt in a flexible way to unpredictable changes in the environment.

- Self-organisation is not caused by linear processes of feedback or control but involves higher-order, non-linear processes.

- Self-organisation is a characteristic of the system as a whole, and happens independently of individual component inputs. Components only operate on local information and general principles. Thus the level of inspection of

a system will influence the level of understanding of the system or subsystem.

◆ Systems that self-organise increase in complexity as they learn from 'history'. The increased complexity leads to a reversal of entropy, which in turn causes a greater flow of information and energy into the system.

◆ A self-organising system always has some form of history—a complex system can remember and forget selectively.

◆ Because of the self-organisation process not being guided or regulated by pre-specified goals, one cannot talk about a 'function' of a system. A system's function can only be described in terms of the context within in which it exists.

◆ Self-organising systems cannot be reduced to simple levels or units because all the levels are intertwined.

There are certain preconditions for self-organisation to occur in any system and the following table is adapted from Cilliers's (1998, p. 94) characteristics of a self-organising system and then applied to organisational settings:

Table 4-2: Viewing organisations as self-organising systems

In self-organising systems in general	In organisations
The system must consist of a large number of small units that are undifferentiated and has no predefined structure.	An organisation consists of many small units that are sometimes undifferentiated; and the people involved cannot be defined homogeneously within any organisation.
The strengths of interconnections change because of local information only and the changes are often self-maintained, which cause the system to move away from the undifferentiated state that it is in.	The information created in an organisation because of interactions between parts of that system often has the effect of temporarily gaining more 'order' or structure.
Units of the system compete for limited resources, and limitations often cause the transformation of the system.	There is a constant competition for funds and resources, such as funding allocation between departments or the promotion of individuals.
Co-operation between units and association patterns and networks are also formed.	Departments have to work together to reach mutual objectives set.

In self-organising systems in general	In organisations
Interactions between units are non-linear. Small changes can cause large effects, and new structures evolve out of the relationships between older ones but not necessarily because of those interactions.	Small actions by managers could have major implications; for instance, strikes or low morale, leading to lower productivity. Team-driven project management could lead to new team member positions emerging; similarly, the formation of new patterns could cause new relationships and patterns, and these patterns are not necessarily linear combinations of the components.
Symmetry-breaking is a further precondition. Homogeneous systems will lead to too much symmetry inhibiting the growth and development of a system. Small fluctuations in the input of a system, as well as missing or incorrect connections lead to symmetry-breaking.	The diversity of employees in organisations indirectly leads to symmetry-breaking.
Entrainment implies that some patterns latch onto other patterns and start to become integrated into the larger pattern, which has a structure and order. This contributes to the formation of associations.	Structures emerge out of the communication between different groups as they work in teams and take on certain roles. Other team-based tasks can create different roles, so different patterns can emerge. As these patterns appear and reappear greater patterns start to emerge which creates structure and order.
Memory in a system should be stored in a disseminated fashion. This implies that complex concepts involve patterns of movement over numerous levels, which increases the strength of a system, and makes the association of different patterns an inbuilt feature of the system.	(In organisations information is communicated over various levels as knowledge is distributed, exchanged and created in many units throughout the system.

Because organisations characteristically resemble the preconditions for self-organisation in complex systems, it can be derived that self-organisation also occurs in organisations, and between organisations and its different stakeholders, in macro-societal systems. A number of philosophical issues about the self-organising ability of systems thus apply to organisations (Cilliers, 1998; Stacey, 2003).

4.3.2.1 The importance of relationships and patterns

Self-organisation provides the mechanisms by which complex systems can transform without the expected initial stages or transcendental interference (Cilliers, 1998). Complexity is created through the multiple interactions between subsystems and the environment. Any change in a system occurs because of the interaction between the modifications in the environment and the historical proceedings in the internal functioning of the organisation or system. These

changes cannot be caused by one single event. The contribution of postmodernist thought is evident. These thoughts include the ideas that attempts should be made to accommodate paradoxes and contradictions, and turn them into transforming and creative forces. The importance of relationships is emphasised where patterns (process of *becoming*) rather than essence (*being*) are sought (Stacey, 2003). One single principle cannot provide answers; rather that the process of transformation and change themselves create meaning and growth. A network of dependencies exist between an organisation and its neighbours in a business environment (Lissack & Gunz, 1999, p. 5). Interactions between these subsystems define the borders that are constantly in flux because of changes in the environment.

4.3.2.2 The role of history

All complex systems have to be considered within the historical context of that system (Cilliers, 1998, p. 107). Again it is important to remember that the system is not determined by its history but that past occurrences have an effect in the interacting with the present. It is the constant interplay of transforming characteristics of the environment and the system itself that constitutes the current state of the system.

4.3.2.3 Paradoxes: active versus passive, and stability versus prediction

A system both influences and is influenced by its environment; therefore, it is not merely a passive expression of the environment, but has an active role to play in changing the environment (Cilliers, 1998; Laszlo & Laugel, 2000). Changes are brought about because of a constant interplay between the active and passive, and between the external and internal forces. Changes do not occur because of one single intervention. If a single intervention has caused a change in a system's current state, the system will only stay stable as long as the environment is stable; it will not have the ability to adjust and change, and will eventually collapse. Unstable systems, from a traditional perspective, often refer to systems without order or causality. But unstable complex systems are not caused by single deterministic factors, but rather by an interaction of many factors, some of them illogical. As Cilliers (1998) explains,

> *Complexity is not to be confused with randomness and chance, but cannot be described in first-order logical terms either... It is the interaction of complex constraints that produces interesting behaviour—behaviour that cannot be described as chance events or instabilities (p. 109).*

The fact that complex systems exist because of interactions of the passive and active further implies that a single observation of a system, captured in time, cannot provide a full understanding of the functioning of that system (Cilliers, 1998, p. 109). The complexities of the system created through the process of self-transformation and self-organisation will not be represented. These factors all make it very difficult to model or analyse complex systems. It is also difficult to predict behaviour in or of a complex system because no consistent or reliable rules can be found in any of the outputs throughout the history of the system (Stacey, 2003). This in turn means that the future cannot be predicted and strategies have to be modified constantly. Any rigidly controlled system will not be able to adjust to sudden changes in the environment, and the system will also waste resources when it tries to adjust to superficial changes. In order for a system to survive it has to be able to distinguish between strategic changes and superficial changes (Cilliers, 1998). This can only be achieved when the system is allowed to utilise its self-organising abilities effectively which, again, may only be achieved if the system has flexibility and openness.

Stacey (2003) views paradox as fundamental to organisational life and explains that paradox cannot be eliminated or resolved, but rather that paradox continuously transforms. Stacey specifically focuses on the paradox of control and unpredictability and says that management is a process of continuously rearranging the paradoxes in organisations and not attempting to control them.

4.3.2.4 Differences between chaos and complexity theories

Before discussing the implications of the emergent theoretical approaches, and assimilating the theoretical approaches and postmodern thinking, it is necessary to discuss chaos theory and its relevance to communication management. An important point to stress at this stage is that the chaos approach is sometimes described as different from the complexity approach because chaos is seen as a

state where no patterns can be made and details cannot be understood (Sherman & Schultz, 1998, p. 68). Complexity, on the other hand, postulates that systems have patterns and models if viewed from a distance and over time. It seems though, that this description of the differences is typical of the confusion between the two terms. According to Sherman and Schultz chaos is the one end of a continuum, and order the other, with complexity as the path in between these extremes. In their view chaos equates to total disorder and confusion, and as a state without pattern or comprehensible detail. However, as can be seen in the description of chaos theory perspective discussed in the next section, chaos systems only appear chaotic. They in fact display deterministic order and patterns when viewed from a distance (Murphy, 1996).

Another distinction is made by Cilliers (1998, p. 98) in that 'complexity' refers to a much broader category than 'chaos'. Complexity often refers to a state on the edge of chaos, between simple straightforwardness and utter wildness (Lissack & Gunz, 1999, p. 4).

Stacey (2003) has another view on the differences between chaos and complexity theories. According to him the self-organising systems in chaos theory cannot be transported from one attractor to another (the term 'strange attractor' will be explained in more detail in the next section). A self-organising chaos system will only change if some change is introduced from the environment. Complex adaptive systems however, have the capacity to move between attractors and also have the ability to evolve new attractors through the process of self-organisation. Complex systems display dynamics at the edge of chaos and diversity is amplified. The capacity to evolve into new life forms is a distinct characteristic of complex systems.

The chaos and complexity approaches described and followed by this study is similar to the 'complex responsive processes' which Stacey (2003) suggests as an alternative to the systems perspective to understand strategy and organisational change. The key concepts of this 'complex responsive processes' that Stacey supports are communication, relationships, and the processes (as apposed to systems) that support these.

For the purpose of this thesis, the similarities, not the differences, between chaos and complexity approaches will be highlighted, of which relationships, connectivity, communication processes and self-regulation are the most important shared characteristics.

4.4 Chaos theory and chaotic concepts

Chaos theory started out with the basic principles of the systems theory but has grown into what can be summarised, according to Overman (1996), as

> *the study of complex, dynamic systems that reveal patterns of order out of seemingly chaotic behaviours...the study of complex, deterministic, non-linear, dynamic systems...so complex and dynamic, in fact, as to appear chaotic (p. 487).*

Put another way, chaos is "the final state in a system's movement away from order" (Wheatley, 1994, p. 122). It can be understood as the state where a system can no longer sustain a stable pattern of behaviour because of an increasingly changing environment, and subsequently causes the system to reorganise itself to adjust to these changes (Dennard, 1996, p. 498). Chaos theory attempts to understand why systems seem to not function in linear, predictable and conventional ways; but when studied from a distance, display patterns and structures (Murphy, 1996, p. 96). It is a term that can be used to explain a number of both natural and artificial phenomena, such as weather patterns, stock prices, economies, traffic and even biological aspects such as heart arrhythmia (Overman, 1996, p. 487).

The term 'chaos' is actually a misnomer because, although it seems as if it implies total disorder and no traceable pattern, it is still deterministic and basically Newtonian in that it provides definite answers and methods (Overman, 1996; Stacey, 2003). Behind all the order and nonlinearity observed in chaos states lie order and patterns; and new relationships and structures emerge out of what seems to be incomprehensible and out of control. According to Wheatley (1994),

> *there is so much order that our attempts to separate out discrete moments create the appearance of disorder (p. 20).*

If we view chaotic systems over time and from a distance they always demonstrate inherent orderliness (Briggs & Peat, 1989, p. 14; Wheatley, 1994; Youngblood, 1997, p. 47). The chaos principles were derived from the 'positivistic' sciences, namely, physics, mathematics, biology and psychology and have also been applied to the administrative sciences and the management of organisations. Organisations can adapt, renew, maintain and grow through self-organisation brought about by chaos. The contribution of chaos theory to management lies in the appreciation of change, chaos and uncertainty, not in distrust and the need to control any disorder (Overman, 1996, p. 487). It also lies in the appreciation of the faith in the self-organising nature of chaos (Overman, 1996, p. 488; Dennard, 1996, p. 497). The interdependence of sub-systems, their natural co-operative nature and the wholeness of reality, are further contributions of the chaos theoretical approach to the management of organisations. The self-organising abilities of systems also contribute in the sense that they provide hope for management that individual actions can make a big difference (what is termed the *Butterfly effect*), and that there is order behind the chaos. Therefore, the perceptions of control and the need to predict make a shift to a much larger scale and order.

Chaos can be described as periods in an organisation when people are confused or overwhelmed and cannot make sense of anything. This happens when changes occur in organisations and people move from a state of comfort to something new. As Flower (1993) puts it, it is a time

> *When people move into such deep confusion that they let go of their present conceptions of how to solve a problem (p. 51).*

This state of confusion and falling apart is necessary for systems to create the capacity to reorganise themselves to be better adapted to the new environment. This self-ability to transform is not possible unless systems are willing to move into confusion, chaos, and change (Flower, 1993, p. 51).

4.4.1 Importance of interdependence, participation and relationships

A very important contribution of the chaos approach is the participatory approaches to change management. Traditionally the interpretation of data and information was done by management, which in turn led to filtering, subjectivity,
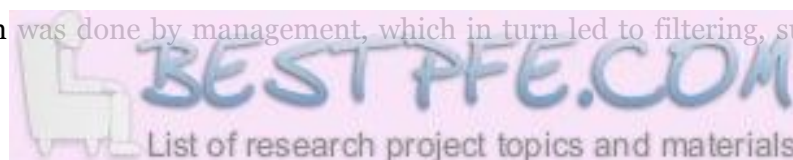
exclusivity and over-control. Wheatley (1994, p. 64) suggests a way out from the non-objective, chaotic and complex world of the new sciences in considering that there is interdependence between different subsystems in an organisation (as already implied by the extension of the systems theory to the postmodern and complexity theories). This interdependence suggests that all the subsystems should take part in the processes of the system. Participation could add to the richness of information, shared responsibility, more trust and transparency, and ultimately, to healthier relationships. This interdependency and participation in turn imply relationships, the sharing in decision-making, as well as in the dissemination and interpretation of information throughout the organisation.

The building of relationships is the key; and development and maintenance of these relationships are more important than the outcomes, players or objects themselves. Meaning is derived from relationships, not from the party in isolation. Because of the interdependency of systems with the environment, relationships actually give meaning to the entities; that is, meaning is not situated within the entities themselves (McDaniel, 1997; Stacey, 2003).

Youngblood (1997) defines a relationship as the

> *commitment of two or more people to supporting each other in the pursuit of a common goal (p. 247).*

He adds that relationships are not only relevant between people but also among all living systems. The key concepts here are *commitment*, *mutual support* and *common goal*. Grunig & Huang (2000, p. 43) further apply the concepts of *control mutuality*, which could include mutual support (joint acceptance of degrees of symmetry), *trust*, and *satisfaction* with the relationship through communication management.

Relationship building in organisations is an indicator of successful public relations and communication management (Grunig & Huang, 2000, p. 24). The natural flow and flexibility of living systems contribute to greater access to information, power and new technology and developments that renew (Youngblood, 1997, p. 71).

4.4.2 Self-renewal and self-organisation from the chaos theory perspective

According to Jantsch (cited in Dennard, 1996) living systems have an ability to

> *continuously renew themselves and to regulate this process in such a way that the integrity of their structure in maintained (p. 497).*

While systems change there is nevertheless a recognisable holistic structure that maintains it. More importantly, this sense of maintenance does not entail separating the different subsystems that co-create environments and relationships.

Overman (1996, p. 488) illustrates the self-organising ability of systems with the example of a parking lot after a big game. At first the parking lot is quiet and 'balanced' or in equilibrium. Then suddenly, when the game is over, everybody tries to leave at once. So now the parking lot moves out of the state of being in equilibrium. As people move towards the exit simultaneously, amid all the chaos, people start to form lines, and although it is an unpredictable situation with a lot of frustration and uncertainty, drivers start to organise a system without the help of any traffic controller. This self-organisation eventually leads to fewer cars until the whole parking lot is empty.

In this line of thinking, chaos thus follows an inner logic. However, it is not a mechanistic order such that chaotic systems can be objectively observed and the laws and principles by which they run can be extracted (Murphy, 1996, p. 100). As Murphy (1996) points out, a chaotic system is

> *an unstable combination of randomness and plan, broken by flashpoints of change (p. 101).*

The mechanistic Newtonian view posits that a system in equilibrium maintains its stability by using entropy or negative feedback. Entropy, as Wheatley (1994) states, is

> *an inverse measure of a system's capacity for change. The more entropy there is, the less the system is capable of changing (p. 76).*

In this sense, the equivalent of negative feedback activities in management would be

> *planning, budgeting, measuring, performance reporting, analysing,
> and summarizing (Youngblood, 1997, p. 54).*

Positive feedback, on the other hand, would be when small disturbances prompt input that provide further inputs for more information, and which ultimately lead to more movement and new output. Initial uncertainties are amplified until they reach critical mass and escalate to total disorder (Youngblood, 1997, p. 37; Murphy, 1996, p. 97). But this positive feedback also means that some of the original information or patterns do remain or survive, so the system has continuity. Furthermore, the reinforcing loops lead to growth and advancement of the living system at a higher level or order. Which leads Youngblood (1997) to urge that management ought to use these disturbances by concentrating on the creative possibilities or lateral thinking naturally initiated by these situations, and by allowing the flexibility and "freedom of movement required to explore their potential" (Youngblood, 1997, p. 57).

Dissipative structures or self-renewing systems use their energy to recreate themselves and to change to new forms to deal with new information. They have the distinct characteristics of resilience and flexibility; ever changing rather than stable or in equilibrium (Wheatley, 1994, p. 92). According to Wheatley (1994), as this fluid nature of living systems matures, the system becomes

> *more efficient in the use of resources and better able to exist within its
> environment (p. 92).*

This is particularly important because the flexibility and flow of living systems are necessary for renewal, health, and growth. Flow, as Youngblood (1997) points out, is the

> *principle mechanism by which self-organising systems overcome energy
> and matter dissipation and renew themselves (p. 69).*

If a system is isolated and flow is stopped, it will disintegrate. It is by over-controlling that management often blocks the natural flow in organisations. The freedom of flow of "information, power, personnel, money, and technology" (Youngblood, 1997, p. 71) could free organisations and allow for creativity and growth.

4.4.3 Butterfly effect and bifurcations

Because chaotic systems are flexible and changing, sudden variations in a system can bring about points where the system may rearrange itself around its underlying structure (Murphy, 1996, p. 97). These points, called *bifurcations*, mark the many different directions a system may take in its evolution (Wheatley, 1994, p. 96). According to Briggs & Peat (1989, p. 143), bifurcation is the "place of branching or forking"; and the effect is comparable to the flapping of a butterfly's wings in one part of the world causing interactions in other parts of the world of such unpredictable amplitudes as the size of a tornado (Aula, 1999, p. 191). If these amplifications have reached a stage where they become completely unstable, or described in Wheatley's words, as "crossroads between death and transformation" (1994, p. 96), the bifurcation can open up futures that are totally unpredictable and exciting. The paradox between stability and instability, as well as that between predictability and unpredictability is apparent (Stacey, 2003). In this line of thinking, a person can change the course of an organisation by contributing in small ways, such as asking questions or making suggestions that have not previously been thought of. Tiny causes can lead to big effects. Hence illustrating once again the nonlinearity between cause and effect; therefore, small actions have potentially powerful effects when they are accumulated (Dennard, 1996; Stacey, 2003).

4.4.4 Strange attractors

A disordered system may be driven by what is called a 'strange attractor'. This is a deep structure within any system that is a natural order behind the disorder, and this order is established by an 'attractor' as it traces its path in a regular pattern (Evans, 1996, p. 492). According to Murphy (1996),

> *An attractor is an organising principle, an inherent shape or state of affairs to which a phenomenon will always tend to return as it evolves, no matter how random each singe moment may seem (p. 98).*

A system that appears to be totally out of control and unpredictable may have this underlying deep structure—its *attractor* (Murphy, 1996, p. 98). Most chaotic systems never go beyond certain boundaries because they are it is contained within 'shapes' held together by the *strange attractor* (Wheatley, 1994, p. 21). Briggs &

Peat (1989, p. 73) refer to systems being constantly pulled apart and iterated towards change, transformation and disintegration, while at the same time, some magnetic powers drawing these systems into order and shapes so that

> *...eventually all orderly systems will feel the wild, seductive pull of the strange chaotic attractor (p. 77).*

Some authors describe organisational culture as the strange attractor that keeps organisation from oscillating into total chaos and disintegration (Murphy, 1996, p. 98). Others describe it as purpose and information. Wheatley (1994, p. 134), in particular, describes organisations that have been in total chaos because of reorganisation and buyouts, and yet there are employees who create meaning for themselves and carry on working productively. As Wheatley (1994) observes,

> *Employees were wise enough to sense that personal meaning-making was their only route out of chaos (p. 135).*

If the often quoted function of communication, that is, communication is "the process of creating meaning" (Spicer, 1997, p. 188; White & Dozier, 1992, p. 99) is taken into consideration, the potentiality of communication management as being a *strange attractor* in organisations is irresistible and powerful.

4.4.5 Non-linearity, scale and holism

Systems are interdependent and all levels combine to form a 'big picture' (Youngblood, 1997, p. 47). All the actions and reactions created by changes in a system should be considered in their entirety rather than in parts. Small changes in chaotic systems can lead to amplified effects that are unpredictable. That is, even though the process of the growth and changes in a system are non-linear, when viewed from a distance and over time, patterns and cycles can be observed. One single event at one given point in time presents only a limited view. The scale from which chaotic systems should be viewed to see the order is what distinguishes the science of chaos from traditional Newtonian science.

In Newtonian science, Newtonian universal laws apply whether something is observed at the micro or macro level (Murphy, 1996, p. 97). Chaos theorists insist that significant differences can be observed in the structure and dimensions of a

phenomenon depending on the point of view taken and the measuring instruments used. The scale of observation thus makes a difference in seeing an order out of what seems to be out of control and chaotic.

4.4.6 Fragmentation and interdependence

When observing a system holistically, an observer may have an opportunity to identify relationships between forms at various scales, and patterns at various degrees of magnification and complexity (Murphy, 1996, p. 100). Each pattern takes on something from the one that precedes it, and thus builds a history that can be traced over time. These patterns are all interdependent such that changes in the one affect the other. In seeing particles as a set of relationships and interactions is, according to many quantum physicists "all there is to reality" (Wheatley, 1994, p. 32). The differences between entities in different relationships make for a fluid and flexible system but also makes prediction and identification of boundaries impossible (Wheatley, 1994, p. 34).

An important affirmation of chaos theory is, as stated by Fitzgerald (1996),

that the stronger the connections between the diversity of elements comprising a system, the more capable the system will be of sustaining itself when far-from-equilibrium (p. 29).

Similarly, Flower (1993) observes that because of the interdependence of systems and the connections that form between entities, borders are therefore broken down, so

The universe is energy fields coming into relationship with one another, forming something temporarily (p. 53.)

Networks of information fill spaces and give rise to bifurcations which in turn form new systems and networks (Briggs & Peat, 1989, p. 178). A system that has to exist amid constant environmental changes, and other growing networks, eventually become a 'borderless' aggregate.

In this manner of thinking, when Kiel (cited in Evans, 1996, p. 491) adopts the principles of chaos theory to organisational management, he contends that an organisation's boundaries become blurred and that external factors and

stakeholders, such as citizens and the government, define the parameters of dynamics and change over time. The structures of this system constantly change and give rise to instability; however, this instability is necessary to enable systems to respond to the demands of the environment. Processes should support the organisation's ability to renew, develop and change, or as Evans (1996) puts it,

> *The way work is organised, the attitudes employees hold, and the technologies they use all serve to create the boundaries of performance boundaries which emerge through dialogue and process (p. 492).*

Here lies another big paradox of chaos theory. Openness to the environment leads to a greater sense of identity because of the self-organising ability of open systems. According to Wheatley (1994),

> *High levels of autonomy and identity result from staying open to information from the outside (p. 92).*

That is, the processes of exchange and interaction ironically lead to greater freedom from influences from the environment. If an organisation builds on its core competencies, it can adjust and respond much faster to new opportunities. At the same time, it remains sensitive to the changing markets, consumer needs, and threats from other groups (Wheatley, 1994, p. 93; Marlow & O'Connor Wilson, 1997, p. 43; Graetz et al., 2002, p. 79).

Self-renewing dynamics can account for the boundary-spanning nature of development (Dennard, 1996, p. 496; Wheatley, 1994, p. 29). Democracy, therefore, is maintained through the building of stable relationships with consumers, citizens and all affected parties of the organisation. This is a feature of "co-evaluation" that Dennard (1996) speaks of,

> *Co-evolution is how living systems co-create environments and relationships that sustain and accommodate everything within that environment (p. 497).*

Therefore, the ability to change an organisation lies in the challenges of relationship management, and not in changing the structures or functions of individuals (Fitzgerald, 1996, p. 31). Communication will strengthen these connections between entities of an organisation.

4.4.7 Diversity and creativity

Diversity refers to differences in terms of approaches to thinking, creativity, problem-solving, and areas of specialisation, as well as traditional differences such as race, gender and religion. The dynamics of networks and relationships form their own source of control in learning and changing systems. Over-control inhibits the creative development of an organisation but an unstable, loosely controlled organisation relies more on process than on structure (Evans, 1996, p. 492). Process implies the flattening of hierarchical structures, improving information flow and the participation of stakeholders (such as employees). Kiel (cited in Evans, 1996, p. 492) suggests that loosely bounded instability is essential in order to create relationships that can respond to changes in the environment. To go one step further, management should foster instability, such that it may open the door to diversity and creativity.

Although creativity leads to higher orders of existence and complexity, it is often the case that the opportunity for creativity follows much destruction and ending of the old ways (Youngblood, 1997, p. 56). This is an aspect of creativity that makes change difficult for organisations. According to Youngblood (1997, p. 59), there are three ingredients to creativity: "information, diversity and interactions". A creative process in an organisation leads to cross-fertilisation of a wide variety of information between diverse entities. The more information, diversity and interaction there are, the more unstable the system becomes; however, it is at the edge of this chaos that the growth and creativity will occur. It is at the edge of chaos, that is, at that complex point just before a system falls into disintegration, that a system has the greatest potential for change, growth, development and creativity (Youngblood, 1997, p. 28; Wheatley, 1994, p. 123; Briggs & Peat, 1989, p. 150).

4.5 Similarities between postmodernism, chaos and complexity theories

Chaos and complexity theories are both postmodern approaches. Some of the similarities between them are as follow (Cilliers, 1998; Stacey et al., 2000; Sherman & Schultz, 1998):

Table 4-3: Similarities between postmodernism, chaos and complexity theories

	Post-modernism	Chaos & Complexity theories
View of the organisation is organic and flexible	Organisations are viewed as organisms submitting to natural laws of evolution (Sherman & Schultz, 1998, p. 27)	Organisations are systems of environmental interpretations, where reality is constantly being reconstructed (Lissack, 1999, p. 11)
Structure and linearity is considered impossible because of the unpredictability of the environment	Postmodernism is against the structuring and over-theorizing of the basic philosophical concepts in the field (Holtzhausen, 1999)	Non-linearity is the basis of complexity theory; systems have periods of dramatic structural and behavioural changes where relationships between variables of the system may change (Lissack & Gunz, 1999, p. 3)
Diversity is a common feature, and conformity is criticised	In order to create meaning it is necessary for systems to be diverse, and not structured, because diversity creates rich information (Holtzhausen, 1999)	Diversity is a necessary and important component of the chaos and complexity view of change (Stacey, 2003)
Change and transformation is inevitable and uncontrollable	Power that spreads throughout systems in society should be challenged, thereby instigating transformation (Holtzhausen, 1999).	Cybernetic control is impossible in complex environments. Organisations are processes of interaction and are thus forever emerging (Stacey, 2003)
Relationships are essential and the crux of all interactions	Exchange is more important than the contents of messages (Mickey, 1997, p. 2)	Organisations are processes of communication, power relations and creativity . "It is the quality of relationships that determine whether an organisation had the internal capacity for creativity" (Stacey, 2003, p.383)
Conflict is natural and necessary, promoting growth and creativity	Knowledge is created by debating points of view (Mickey, 1997, p. 2)	Misunderstandings are essential aspects of transformative processes (Stacey, 2003)
Perspectives, ideas and views are contradictory and irrational	Juxtapositions, paradoxes and contradictions abound (Cova, 1996, p. 16)	Behaviour displays paradoxical dynamics of stability and instability at the same time – dynamics implying living with the ambiguity and anxiety created by the paradox (Stacey, 2003)
Theory is always temporary, and metanarratives designate the subject of authoritarian systems	"The role of the philosopher/scientist is to continuously cut free from metanarratives that have been transmitted through the rules, practices and norms of modernist institutions" (Holtzhausen, 1999, p. 14).	Whenever a small group in power forces people to share the same culture, or follow the same rules, they are in actual fact trying to manipulate and control (Stacey, 2003)

	Post-modernism	Chaos & Complexity theories
Power is never equal and has to be contested	Power is decentralised and pluralised (Holtzhausen, 1999, p. 17)	Systems should be emancipated and people should be able to transform the systems created by authority (Stacey, 2003)
Ethics should not be dictated by dominant system	Personal desire should be channelled through free choice and aesthetics, rather than through morals, rules and regulations (Holtzhausen, 1999, p. 17)	Leaders emerge because of mutual recognition and ethics are negotiated in interaction between people, not defined by leaders (Stacey, 2003)
Knowledge is a process of learning, and is not linear but borne out of discourse and debate	Knowledge is borne out of discourse and debate (Littlejohn, 1992, p. 32)	"Knowledge is not a thing but a process of making meaning, where meaning is continuously reproduced and potentially transformed in the action of communicative relating between human bodies" (Stacey, 2003, p.405)

According to Cilliers (1998) postmodernism has an implicit sensitivity to complexity, and acknowledges the importance of philosophical perspectives such as self-organisation and connectionism, which are important factors influencing the way chaos and complexity theories are approached. These approaches all accentuate the importance of interaction, relationships and self-regulation. These concepts will be explored further in the discussion of communication management and relationships.

The implications of the process or self-organisation upon organisational ethics directly affect public relations. While Hall (1963) describes ethics as "morality and character and the discovery of the nature of good", Cilliers (1998, p. 111) suggests that it is not merely a 'nicety' to have values in a system, but that they are essential for the survival and growth of a system. A flexible system increases its survival by decentralising control and self-organises in order to adjust to changes in the environment. So how does the concern for ethical behaviour come into this picture if it is not a question of 'good' or 'bad' but a strategy to decrease entropy? After all, it is reasonable to speculate teleologically that the consequences of unethical behaviour of a system might ultimately lead to its collapse. From a public relations perspective, ethical behaviour is advocating the building and maintaining of healthy relationships within and outside organisations, and ultimately working towards harmony in society (Seib & Fitzpatrick, 1995, p. 1).

4.6 Summary

Postmodern theorists believe that the differences between philosophies and paradigms ought to be broken down because they are all relative, transcendental, cross-sectional and ever-changing (Holtzhausen, 1995, p. 15). In this sense, barriers between different domains and disciplines should be brought down, starting from marketing, informatics, social psychology, strategic management, information technology, interpersonal communication, because their contribution to the development of relationship management are extremely valuable.

Stacey (2003) warns that many theorist who apply chaos and complexity theories do it from a systematic and cognitivist psychological perspective, and in doing so they lose the valuable insights that these two perspectives may offer. He argues that many theorists apply these approaches from a static systems thinking paradigm embedded in cybernetics. Within this paradigm organisations are approached from the perspective of powerful autonomous individuals who become external observers during change. System theorists apply the mathematical and modelling techniques derived from the natural sciences. These techniques enable forecasting models and provide simple rules, taken from living systems in nature, to conform and submit to harmonious wholes. Stacey argues that such approaches alienate people because they feel that they are part of a larger whole and that they have no influence on outcomes. They do not take responsibilities for their actions. When a small group of powerful people claim to predict the outcomes of behaviour in an organisation, they are actually trying to manipulate and control. According to Stacey organisations are not living systems, but rather, they are processes of communication and joint action. Stacey thus suggests that organisations are instead complex responsive processes of relating.

New approaches to management and change emphasise interrelationships of subsystems and stress the importance of defining patterns of interactions and dialogue. Another common denominator is the use of scenarios, that is, selecting different courses, introducing changes and then criticising them again. This process ensures that changes in the organisation are constantly monitored in parallel with changes in the environment.

All these emergent approaches discussed in this chapter are not deterministic and do not provide simple plans and answers for change efforts. Conflicts may be generated through discourse, but resolutions may also be found through the interactions of the elements of complex systems. A free flow of information is suggested as an approach to dealing with change. In other words, emphasise relationship management and symmetrical communication for resolving conflicts; empower people to engage in appropriate activities for a quick response to changes; cultivate diversity in all roles for a more accurate perception; encourage a participatory approach in order to promote internal interaction, commitment and direction. These characteristics bind the emergent approaches to change management and produce a new way of dealing with transformation.

In the following chapter the concepts of relationships and relationship management will be explored in depth as it has shown to be an important characteristic of the emergent approaches to change.

OVERVIEW OF CHAPTER 5: *Relationships and Relationship Management*

CHAPTER 1: INTRODUCTION → INTERPRETIVE APPROACH → CRITICAL PARADIGM → POSTMODERNISM → CHAOS AND COMPLEXITY THEORIES → RELATIONSHIP MANAGEMENT

Background

Key concepts

Conceptual framework

Research statement, objectives, design & methodology

Findings, Conclusions & Implications

CHAPTER 2: STRATEGIC MANAGEMENT & CHANGE

CHAPTER 3: APPROACHES TO CHANGE MANAGEMENT

CHAPTER 4: EMERGENT APPROACHES

CHAPTER 5: RELATIONSHIPS & RELATIONSHIP MANAGEMENT

CHAPTER 6: METHODOLOGY

CHAPTER 7: FINDINGS

CHAPTER 8: CONCLUSIONS & FURTHER RESEARCH

'Relationships' in relationship management
Strategic management & relationship management
From strategic communication management to strategic relationship management
Applications & implications of postmodern approaches
Role of relationship manager & other leadership roles

METHODOLOGY & THEORY LINK

	Independent variables		Dependent variable	
Change management	Planned approach *Scenario A*	Emergent approach *Scenario B*	Relationships	Validity & reliability testing

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Relationships and Relationship Management

5.1 Introduction

Having examined the principles of strategic management and how those principles apply to change management (Chapters 2 & 3), and the emerging postmodern approaches—chaos and complexity theories—to change and strategic management (Chapter 4) this chapter will now explore the concepts of *relationships* and *relationship management* from a public relations perspective. Current views of strategic formulation for communication management are discussed; then suggestions are made for applying recent developments in strategic management to the field of communication management. Finally, this chapter explores the implications of the emergent approaches on strategic relationship management and change management. These discussions will be linked to the research propositions found in the Chapter 6.

5.2 'Relationships' in relationship management

As mentioned in Chapter 1, public relations is the function that manages the communication between an organisation and its publics in order to build and enhance healthy relationships to the benefit of all parties involved. This view of relationships, being at the centre of the function of public relations, is now seen as one of the most important ingredients for an effective organisation. That is, in view of the stakeholders of the organisation, relationships could influence the success or failure of an organisation (Ledingham & Bruning, 2000b; Harrison, 2003; Robbins & Barnwell, 2002). This perspective puts public relations on the level of a strategic management function because it can influence the way stakeholders support an organisation's goals. The importance of the relational concept to the field of public relations has given rise to *relationship management* (Ledingham, 2003).

The idea of *relationship management* in public relations has prompted thorough investigations into this terminology and its use over the past two decades.

These investigations have not only provided a framework for seeing how the function of relationship management can contribute to the achievement of organisational strategy (Ledingham & Bruning, 2000a), but also strived to develop valid operational measuring instruments for substantiating the value of public relations in top management. As Broom et al. (1997) have pointed out, the absence of a thorough understanding of this construct hinders theory-building; moreover, it limits valid inferences about relationship measures.

Strategic management literature often use the term 'relationships' in the context of stakeholders and organisational effectiveness. There are, however, few definitions, measurements or explanations of what the construct actually means within this field of study; that is, other than the exception of the dimension of 'trust' in relationships, which has been studied extensively (Examples of these studies can be found in Rousseau et al., 1998; Mayer et al., 1995; Bhattacharya et al., 1998; Whitener et al., 1998; Bruhn, 2002.) The field of marketing has contributed extensively to the developments in the understanding of the term 'relationship' in the area of relationship marketing with customers, consumers and groups directly related to marketing. Contributions from the domain of management will be discussed later in the chapter.

5.2.1 Contributions from the field of marketing

In the 1980s, the field of marketing theory and practice made a major directional change towards the development of relationship marketing, which as Morgan & Hunt (1994, p. 20) describe, is "establishing, developing, and maintaining successful relational exchanges". A relationship based model in marketing comes from the realisation of the marketing fraternity—that customer satisfaction is not only dependent on the product or service that is acquired, but also related to the nature of the relationship in the exchange (Sudharshan, 1995). Sheth & Parvatiyar (1995) relate technological advances to the comeback in relationship marketing; that is, in the sense that the collaborative involvement of customers in the marketing process has led to a more process-orientated paradigm. This exchange paradigm has, however, become insufficient because, in the post-industrial era, marketing needs to emphasise value creation. This relational marketing approach calls for mutual co-operation and interdependence.

Another driver that advances relationship marketing is the total quality movement, which demands a close partnership with customers and suppliers in order to optimise quality and cost. The service economy has also led to the minimising of middlemen between the service provider and service user, which means a need to enhance and maintain of relationships between these two groups. Users of products and services are now becoming directly involved in the development and purchasing decisions of the products and services, thus triggering a need for co-operative relationships between them and the producers. Customer retention as a competitive advantage is a final major contribution to the need for maintenance of relationships, because retaining customers is less expensive than acquiring new ones. This participative approach is typical of the developments in postmodern applications to public relations and strategic management.

Morgan & Hunt (1994) conceptualise *commitment* and *trust* as the key mediating variables of relationships, with communication, shared values, relationship benefits, opportunistic behaviour, power and relationship termination costs as precursors to commitment and trust. Outcomes of relationships include conflict, acquiescence, propensity to leave, co-operation, functional conflict and uncertainty.

A thorough investigation into the literature of the construct 'relationships' in business marketing, conducted by Iacobucci & Hibbard (1999), has found that relationships seem to benefit from communication and an absence of conflict (or a resolution of conflict). Closeness, commitment, satisfaction, investment, communication, co-operation, conflict resolution, effort, shared values, and interdependence were also cited as important variables of the construct and contributing to healthy long-term relationships. In brief, relationships can be described along four dimensions: (1) *valence:* trust and co-operation; (2) *intensity*: interdependence, commitment and frequency of interaction; (3) *symmetry /asymmetry*: equality or inequality of power of the parties involved; and (4) *formality*: relating to work or social environment within which relationships exist. *Commitment*, *trust*, and *conflict resolution* are also at the centre of relationship, linking many causal factors. The ultimate outcomes are long-term relationships that result in greater profitability, satisfaction and more anticipated interaction in the future. Iacobucci & Hibbard (1999) propose that the relationships between

consumers and organisations are inherently asymmetric, with high levels of distrust and conflict and little opportunity for communication. These all make it very difficulty to establish long-term relationships with clients and customers.

In a different line, Smith (1998) posits that there are four dimensions in a relationship. First, the type of relationship that looks at different buyer-seller dyads. Second, there are five other dimensions of relationship management that can be derived from the social exchange literature. They include: *relationship investment* (resources, effort, attention), *open communication, co-operation* (mutual, reciprocated outcomes), *functional conflict resolution*, and *relationalism*. Interestingly, *relationalism* refers to the

> *extent to which relators actively and purposefully manage their relationship and promote behaviours to maintain or improve the relationship (Smith, 1998, p. 7).*

Third, the social, functional and structural bonds are differentiated to reflect the degrees of attachment in a relationship and the extent to which parties are bound together. From the premise, that the bonds which develop in a working environment determine the quality of a relationship, Smith (1998) finds that the communication or co-operation and investment dimensions were key predictors of relationship quality. The fourth dimension includes loyalty, mutual satisfaction, respect, commitment and trust.

Hibbard et al. (2001) have also identified the variables, *trust*, *commitment*, *communication*, *shared values* and *mutual dependence* to measure long-term business relationships, and assess adequate measures of the constructs using Cronbach's alpha.

From the above, the contributions from the field of marketing to the field of relationship marketing show that there are precursors to relationships, or outcomes as a consequence of relationships. Although these authors do not agree on which precursors and what outcomes, and despite different the labels and groupings, they seem to agree nevertheless on the variables that could be incorporated. Table 5.1 below is a summary of selected literature contributions from the field of marketing:

Table 5-1: Selected literature contributions from the field of marketing

Predictors or precursors	Maintenance variables/ Relationship concepts	Outcomes	Consequences or final outcomes
• Buyer/seller dyads (Smith, 1998) • Types of relationships (Iacobucci & Hibbard, 1999) • Nature of relationships (Morgan & Hunt, 1994)	• communication (Morgan & Hunt, 1994; Iacobucci & Hibbard, 1999; Smith, 1998; Hibbard et al., 2001; Sudharshan, 1995) • shared values (Morgan & Hunt, 1994; Iacobucci & Hibbard, 1999; Hibbard et al., 2001) • relationship benefits (Morgan & Hunt, 1994; Iacobucci & Hibbard, 1999) • opportunistic behaviour (Morgan & Hunt, 1994) • power symmetry (Morgan & Hunt, 1994; Iacobucci & Hibbard, 1999; Smith, 1998; Sudharshan, 1995) • relationship termination costs/investment (Morgan & Hunt, 1994; Iacobucci & Hibbard, 1999; Smith, 1998) • Personality factors (Iacobucci & Hibbard, 1999) • Interdependence (Iacobucci & Hibbard, 1999; Morgan & Hunt, 1994; Hibbard et al., 2001) • co-operation (Iacobucci & Hibbard, 1999; Smith, 1998) • conflict resolution (Smith, 1998)	• commitment (Morgan & Hunt, 1994; Iacobucci & Hibbard, 1999; Hibbard et al., 2001; Smith, 1998)] • trust/respect/loyalty (Morgan & Hunt, 1994; Iacobucci & Hibbard, 1999; Smith, 1998; Hibbard et al., 2001) • mutual satisfaction (Smith, 1998; Iacobucci & Hibbard, 1999) • conflict absence/resolution (Iacobucci & Hibbard, 1999)	• acquiescence • propensity to leave • co-operation • functional conflict • uncertainty

In the buyer-seller literature, relationship marketing is defined as

the development and maintenance of close, long-term, mutually beneficial, and satisfying relationships between individuals or between organisations that are based on trust and collaboration (Smith, 1998, p. 77).

This equates well with the definition of public relations and relationship management:

> *The management function that establishes and maintains mutually beneficial relationships between an organisation and the publics on whom its success or failure depends (Cutlip et al., 1994, p. 2).*

5.2.2 Marketing and public relations

There are, however, major differences between marketing and public relations which arise mainly from the view that the developments in relationship marketing and public relations are 'intruding' in each others domain. The differences between marketing and public relations as academic fields of study lie primarily in the types of stakeholders served by the two fields. Marketing management focuses on relationships with customers, clients and channels (those groups who assist the organisation in reaching its ultimate customers) that are sources of competitive advantage (Sudharshan, 1995). There are many other relationships that assist the organisation to sustain a competitive advantage but they are not considered to be in the domain of marketing strategy (Sudharshan, 1995, p. 121). Public relations, on the other hand, casts a wider net on stakeholders; that is, to those who have no direct relation to the bottom line exchange relationship—those who are neither customers nor clients. The resource-dependency theory posits that relationships form because of an organisation's need for resources in order to survive. All the constituents that may have an influence on such an organisation may have little to do with bottom-line or with the available resources (Grunig & Huang, 2000). In contrast, marketing relationships depend on the premise that both parties in a relationship are willing to give benefits in order to receive comparable benefits in exchange (Grunig et al., 2002).

Figure 5-1: Marketing

The public relations field sees these relationships with other strategic constituents as going much further than ensuring the selling of products and services. Other stakeholders such as the mass media, activist groups, employees, unions, funders, or the direct community who may not be part of the 'market', may all want the behaviour of the organisation to change, and thus may influence the goal attainment of the organisation (indicated in red in the diagram). It is to these specific publics that public relations is relevant (Grunig et al., 2002). The expertise needed to build and maintain communal relationships with stakeholders is what distinguishes the skills base between public relations and marketing (Hon & Grunig, 1999). The perception of a public that it has a healthy relationship with an organisation is probably the best indicator of the success of the public relations function in an organisation.

Figure 5-2: Public Relations

PUBLIC RELATIONS

Public Relations
Building relationships with publics who have little to do with bottom line

Activists
Media Relations
Management
Crisis Communication

Government Relations — Public Affairs Lobbying

Marketing PR:
. *Customers*
. *Clients*
. *Consumers*
. *Distributors*

Fundraising
CSR & Development

Employee Relations/ Unions — HR (policies, recruitment, IR, etc)

Reputation
Competitors
Community Relations

Financial Relations — FM (investors, shareholders, analysts)

COMMUNAL RELATIONSHIPS

These 'communal relationships' are based on the principle that parties provide benefits to each other because they care for each other's interests without expecting something in return. As Grunig et al. (2002) point out,

> *Public relations professionals add value to an organisation when they develop communal relationships with all publics affected by organisational behaviours—not just those who give the organisation something in return. Communal relationships are important if organisations are to be socially responsible and to add value to society as well as to client organisations (p. 553).*

Public relations plays a societal role in that it helps organisations survive in their social environments by working on relationships with publics in order to bring about social and economic change and development.

Figure 5-3: Marketing and Public Relations
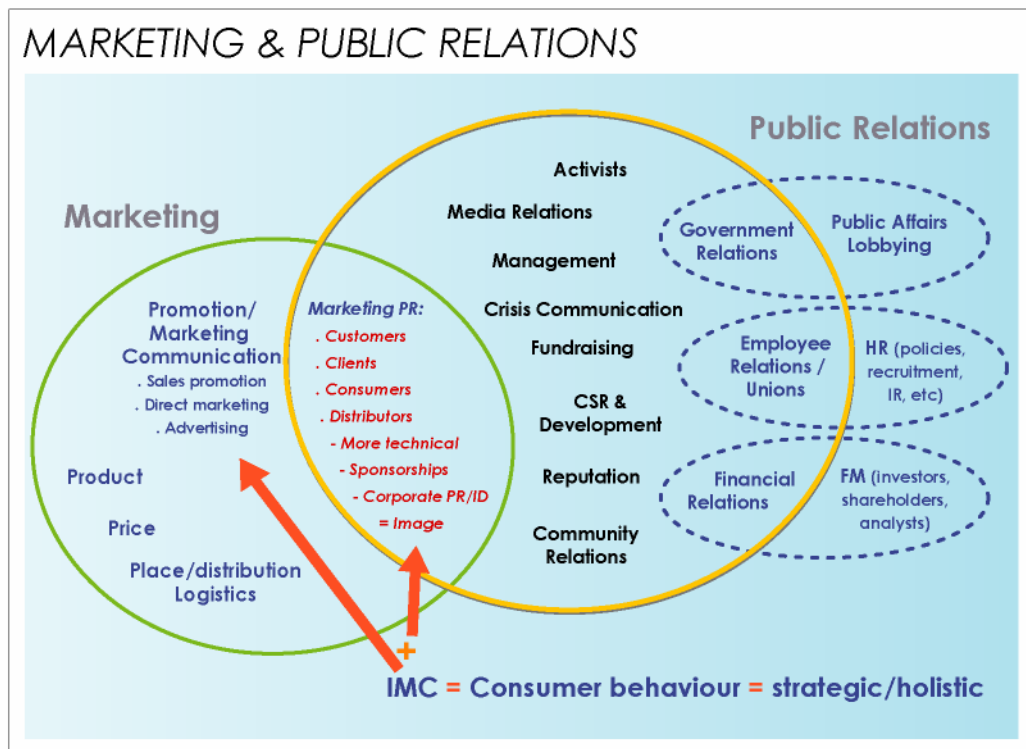
Another major difference lies in the emphasis of each field of study. Marketing communication focuses primarily on the signs and symbols used to communicate identity, brand and image. As authors such as Van Riel (1995) argue, if the right messages are communicated to the right audience, the identity of the organisation will be transferred into their minds, leaving an image. This implies that one can thus manage image and reputation by managing communication. The field of public relations in turn emphasises behavioural relationships where the decision-making processes of management will determine the reputation of the organisation (Grunig et al., 2002). The behaviour of an organisation determines what people will remember about and what degree of trust that will be instilled in their minds. One should therefore manage organisational behaviours in order to develop trust in products, brands and corporate identities.

The concepts of *integrated marketing communication* and *integrated communication* have been debated extensively. Grunig et al. (2002) conclude that authors such as Gronstedt (2000) and Duncan & Moriarty (1997) follow the same principles, namely, Grunig et al.'s *excellence theory of marketing communication* (Grunig, 1992). In brief, they all advocate,

> *symmetrical communication, relationship building, involvement in strategic management, and recognition of communication as a critical management function that supports all other management functions (Grunig & Grunig, 2000, p. 279).*

More importantly, as Grunig & Grunig (2000, p. 279) further observe, many marketing communication scholars "have moved closer to public relations theory in their thinking". However, it seems that these authors' emphasis is still on relationships with customers, which follows from their background in marketing and advertising. From a public relations perspective, all stakeholders (that is, not just the customers) ought to be recognised and treated as important.

Apart from all the other activities of the public relations function, such as community relations, fundraising, crisis communication, corporate social responsibility and development communication, it also supports the marketing function by providing a sound foundation on which to present the traditional 'four P's' of marketing (Sudharshan, 1995). If relationships between the organisation and all stakeholders are strong and committed over a long term, the marketing efforts will be provided with a solid foundation of trust in the organisation and its brands. It is often necessary for the public relations function to build communal relationships before marketing can build exchange relationships; otherwise, it is sometimes the case that successful exchange relationships do develop into long-term communal relationships (Grunig et al., 2002). The marketing function is normally measured in terms of sales or contribution to the bottom line, whereas

> *the degree to which a public perceives that it has a communal relationship with an organisation is perhaps the purest indicator of the success of the public relations management function (Grunig et al., 2002, p. 553).*

In this same way, the public relations function also supports other organisational functions, such as human resource management (relationships with employees and unions), lobbying (governmental communication), and financial management (investor relations and other financial relationships with stakeholders such as analysts and shareholders). Public relations and marketing work together by building exchange relationships with consumer, customers, clients, distributors, and other marketing parties through areas such as sponsorships, corporate

identity, image building and media relations. It is important, however, to stress that each of these domains perform a much larger role than just supporting each other:

> *there is much more to marketing than communication and to communication than marketing (Grunig et al., 2002, p. 280).*

Table 5-2: Public relations/communication management versus marketing

Public relations / Communication Management	Marketing
Relationship building with all stakeholders (Ledingham, 2003)	Building relationships with clients, customers, suppliers (Iacobucci & Ostrom, 1996; Smith, 1998; Sudharshan, 1995)
Emphasis on the behaviour and decision-making of management in order to gain trust from publics (Grunig & Grunig, 2000)	Emphasis on customers (Duncan & Moriarty, 1997)
Reputation: Social responsibility, caring, environment (Grunig et al., 2002)	Image: Branding, packaging, advertising, corporate identity (Van Riel, 1995)
Strategic role is that of boundary spanner and facilitator to build relationships (Grunig et al., 2002)	Strategic role lies in research and development, and profit (Iacobucci & Hibbard, 1999)
Saves money for the organisation (Grunig et al., 2002)	Makes money for the organisation (Iacobucci & Hibbard, 1999)
Research focus: Environmental scanning, trends, issues (Grunig et al., 2002)	Research focus: Data base - socio/psycho/demo-graphics (Cova, 1996)
Communal relationships (Grunig et al., 2002)	Exchange relationships (Iacobucci & Hibbard, 1999; Sudharshan, 1995)
Ethics and social responsibility (Grunig et al., 2002)	Economy-driven—focus on the customer (Sudharshan, 1995)
Two-way symmetrical (Grunig, 1992)	Two-way asymmetrical (Iacobucci & Hibbard, 1999)
Behavioural relationships (Grunig & Huang, 2000)	Symbolic relationships (Grunig & Huang, 2000)
Measurement: Success of communal relationship (Grunig et al., 2002)	Measurement: Sales, purchasing and customer/client satisfaction (Sheth & Parvatiyar, 1995)

The identity problem of public relations that has plagued it over the past decades is that it is often seen as an element of the integrated marketing communication arena, or as a support function for marketing (Ledingham et al., 1997). The field of relationship marketing has started to overlap with the relationship management approach of public relations, but with the distinct difference that it mainly serves the relationships between the organisation and its

markets or consumers. (For example, compare the terminology used in Iacobucci & Hibbard, 1999; Sheth & Parvatiyar, 1995; Morgan & Hunt, 1994; Duncan & Moriarty, 1997). Relationships with all the other 'publics', as identified by public relations scholars, are not covered in depth in the literature of relationship marketing or marketing communication. Iacobucci & Hibbard (1999) state, for example, that

> *Since the 1970s, marketing has been conceptualized quite generally, as an exchange of benefits and resources, so the applicability of relational exchange theories is meaningful—we do not simply transact goods and monies, but a vast array of tangible and intangible benefits. Those exchanges occur in the context of relationships. Accordingly, relationships must become a central focus in the field of marketing (p. 30).*

This point highlights the fact that the major application of marketing relationships is still seen as between the organisation and the consumers and in relation to exchange. These relationships are furthermore seen as symbolic relationships concerned with image, rather than behavioural relationships of public relations concerned with reputation (Grunig, 1993; Cova, 1996). It should be mentioned, however, that postmodern marketing is recognising the importance of aspects such as behaviour, participation, linking value, as well as the co-creation of meaning, even though these are still aimed at consumers (Cova, 1996).

In taking a postmodern perspective, one should not argue that any one of the fields of study is "exploiting" another (Ledingham et al., 1997, p. 25) , or that the fields are "encroaching" on the other's terrain. Rather that organisations should follow a multi-disciplinary approach, where domains support each other and work together for the common good of the organisation and society at large (Grunig et al., 2002). A dichotomous 'boxing' of the functions could only lead to an organisation that is inflexible and incapable of adjusting to fast changing environments.

5.2.3 Contributions from interpersonal and relational theories

Broom et al. (1997), Stafford and Canary (1991), Toth (2000), Ledingham et al. (1997), and Thomlison (2000), have reviewed various interpersonal and relational

theories that have contributed to the development of the construct 'relationships'. Thomlison (2000) describes successful relationships as consisting of "awareness, influence, benefit and behaviour" (p.178). With respect to public relations, relationship management is

> *the development, maintenance, growth, and nurturing of mutually beneficial relationships between organisations and their significant publics (Thomlison, 2000, p. 178).*

Furthermore, public relations gives a transactional perspective so that it is a

> *dynamic, process-orientated, meaning-creating relationship between the two participating parties (Thomlison, 2000, p. 183).*

Its purpose, therefore, is to "establish dialogic communication" (2000, p. 199). Broom et al. (2000) base their theoretical framework on the systems theory in stating that the interdependence of elements in a system form the basis of all interactions and relationships.

Toth (2000) approaches the management of relationships from an individual-organisation perspective in associating the interpersonal communication attributes of trust and credibility to the process. As Toth (2000) proposes that just as the

> *end goal of interpersonal communication is to establish and maintain successful relationships (p. 217),*

so should communication in organisations be used to develop and build relationships between organisations and their publics. Furthermore, the elements of

> *mutuality of understanding, trust, credibility, emotion, intimacy and similarity, immediacy, and dominance-submission (p. 218).*

All contribute to the understanding of relationships on an individual continuum.

Wood (1995) has conducted an extensive review of relational literature, and isolated the following four dimensions: trust, commitment, investment, and comfort with relational dialectics. The theory of relational dialectics refers to the many paradoxes and contrasting forces that work in relationships in terms of being autonomous or being connected (Griffin, 2003). This theory explains that

relationships are always in flux and there are always ongoing struggles and dichotomies between connectedness and separateness. The interpersonal theory of social exchange centres on the dimensions of investment and commitment and compares with the marketing model of economic exchange of goods or services for rewards (Ledingham & Bruning, 1997). This view of relationships is transactional in the same way as marketing views have traditionally been transactional (Sheth & Parvatiyar, 1995). However, as Sheth & Parvatiyar (1995)point out, it seems that

> *this transaction orientation in marketing is giving way to the return of relationship orientation in marketing (p. 414),*

Many of these interpersonal communication variables of relationships have been used as inputs for the development of a relational model for public relations; specifically, the variables of trust, commitment, mutual benefit, investment and relational power structures. These will be discussed in more detail in the section on development of a model for relationships in public relations.

5.2.4 The public relations model of relationship management

Broom et al. (1997) have developed a three stage model after a thorough revision of the relationship literature from the fields of interpersonal and inter-organisational communication, psychotherapy, and systems theory. This consisted of relationships concepts, antecedents to relationships, and consequences of relationships.

Following the lead of Broom et al. (1997), Grunig & Huang (2000) have also developed a theoretical model for the process of relationships in terms of the antecedents of relationships, development and maintenance strategies for relationships, and outcomes of relationships.

Table 5-3: Theoretical model of relationships: stages and forms of relationships

Situational antecedents	Maintenance strategies	Relationship outcomes
• Types and nature of relationships • Relationships between single and multiple publics and organisations that affect each other	• Symmetrical communication • Disclosure (openness) • Assurance of legitimacy • Participation in mutual networks • Shared tasks • Integrative negotiation • Asymmetrical communication and distributive negotiation	• Control mutuality (power symmetry) • Commitment • Trust • Mutual satisfaction • Goal attainment

(Adapted from Grunig & Huang, 2000)

The antecedents of Grunig & Huang (2000) correspond with the antecedents described in the relationship marketing literature. However, in Grunig & Huang, all the change pressures from the environment were incorporated and considered situational, that is, "stemming from the behaviours of both the organisation and publics" (Grunig & Huang, 2000, p. 35). All of these relationships are based on behaviour, and are

> *implicit in concepts such as interpenetrating publics and in the loss of autonomy that organisations face when they enter into relationships (p. 35).*

This model includes relationships between single and multiple publics, and organisations that affect each other.

The maintenance strategies of Grunig & Huang's model (2000) focus on the communication variables that have an influence on the outcomes of relationships. These five dimensions are of specific relevance to this thesis and are translated into change communication variables that have an influence on the relationships between the organisation and its publics. These will be linked to change communication in the *Methodology* chapter.

The first of these dimensions is the construct of 'positivity', described in terms of the symmetrical model of public relations: "dialogue, negotiation, listening, and conflict management" (Grunig, 1992, p. 231), as well as openness, interdependence, team work and a caring attitude (Grunig, 1992). This maintenance dimension

compares well with the variables of open communication, conflict resolution, and interdependence identified by the relationship marketing literature.

The second dimension of maintenance is described as openness or disclosure. This equates to ethical conduct (Grunig, 1992) in terms of transparency and open communication. This again compares well to the variables of open communication from relationship marketing literature.

Assurances of legitimacy relates to the parties' acceptance of each other in terms of shared values and behaviours (Grunig, 1992) and is the third maintenance variable mentioned by Grunig & Huang (2000). The relationship marketing literature also refer to shared values and power equality as an important relationship concept under maintenance variables.

The fourth maintenance variable refers to shared networking with the same groups of people (Grunig & Huang, 2000), as well as participation. In the field of relationship marketing, participation in decision-making about product development and sales strategies is also considered an important factor in the maintenance of relationships with customers (Sheth & Parvatiyar, 1995).

The fifth variable is the sharing of tasks, which is related to participation and refers to the collaboration of all parties in order to solve problems of interest to both (Sheth & Parvatiyar, 1995; Grunig & Huang, 2000) .

The rest of the maintenance variables refer to the conflict management strategies followed by parties in relationships. Grunig & Huang (2000) differentiate between integrative strategies (which can be understood as integrity and co-operation in a relationship), distributive strategies (efforts to maximise gains and minimise losses), and dual concern strategies that manages both the concerns of the organisation as well as those of the publics (win-win strategies). These variables correspond with the co-operation variable from the relationship marketing literature. The variables of relationship investment and benefits in the field of relationship marketing are the only ones not specifically included in this part of the public relations relationship model of Grunig & Huang (2000).

All of the maintenance strategies have an influence on and are indicators of the relationship outcomes described in the next dimension of the model. Grunig & Huang (2000) suggest that the relationship process should be continuously monitored and observed.

The final stage in the relationship model of Grunig & Huang (2000) is the relationship outcomes stage. These key relational outcomes pertinent to quality relationships between organisations and publics are trust, control mutuality, commitment and satisfaction:

- *Trust* refers to the belief that the other party will not exploit one's good will, and that there is a willingness to open up (Grunig & Huang, 2000, p. 43; Grunig et al., 2002, p. 553). In organisational terms, trust means that the business keeps its commitments, does not disadvantage its stakeholders, and communicates in an open, timely and honest manner (MacMillan et al., 2000, p. 71).

- *Control mutuality* refers to the "the degree to which partners agree about which of them should decide relational goals and behavioural routines" (Stafford & Canary, 1991). It implies equality in power; but where power is not equally distributed (as often happens in reality), a norm of reciprocity may lead to a good relationship (Grunig & Huang, 2000, p. 43; Grunig et al., 2002, p. 553).

- *Relational satisfaction* refers to the extent to which both parties have a favourable affective response to the relationship (Grunig & Huang, 2000, p. 45). It refers to both parties receiving equal rewards that outweigh the costs to the relationship (Grunig et al., 2002, p. 553). These include material benefits (value for money, pay, holidays, training, etc.), as well as non-material benefits, such as emotional elements in the form of recognition or identification with an organisation (MacMillan et al., 2000, p. 72).

- *Relational commitment* encompasses a desire to continue with the relationship in supporting the goals and values of the organisation, and putting in the effort to maintain the relationship (Grunig & Huang, 2000, p. 46; Grunig et al., 2002, p. 553; MacMillan et al., 2000, p. 71). A further
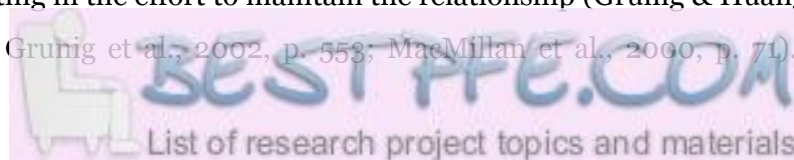
dimension pertains to calculations of the possible costs incurred by leaving the organisation.

Numerous studies have shown high inter-correlations among these four dimensions of relationships (Grunig & Huang, 2000, p. 47; Ledingham, 2000, p. xiii). These indicators appear consistently in interpersonal and organisational literature and compares well with the four indicators identified by the relationship marketing literature mentioned earlier. The only difference is that 'conflict resolution' is cited in the marketing literature as one of the indicators of relationship outcomes, and 'power symmetry' is mentioned as a maintenance variable in the marketing literature, as apposed to a relational outcome in the public relations literature. The relationship indicators of Grunig & Huang (2000), are used in the methodology of this study, with the aim of getting indication of the relationship outcomes when different change management strategies are used.

In the preceding section, the role of relationships was explained in terms of public relations and relationship management. The following section will link the relationship issues to strategic management in an effort to integrate the discussion of strategic management and change management from Chapters 2 & 3 into this section.

5.3 Strategic management and relationship management

The traditional approaches to strategic management are based in economics, and the view of the firm is that of economic entity with the most important constituents the stockholders or shareholders of the organisation (Harrison, 2003). Stakeholders are mostly seen as a liability for organisations because in the economic model, the 'corporation' is seen as the management while all other stakeholders are seen as external (Deetz, 1995). Except for the consumers and the shareholders, all other stakeholders become a cost to the organisation in terms of labour costs, supply costs, training costs, environmental compliancy costs, and others. Even gaining and retaining consumers become a cost through advertising and marketing. Deetz (1995, p. 46) believes that this perpetuates the control of management because of stakeholder interests being "justified as cost containment". Therefore, management would rather

> *manage the stakeholders for management's benefit in the name of an*
> *anonymous corporation (Deetz, 1995, p. 47)*

than follow a relational managerial approach where diverse interests are represented. But Deetz also argues that if management could recognise stakeholders as 'owners' of organisational interests, the focus will be shifted and participation by these groups could result in better decisions than those that are currently being made in terms of the organisations economic standpoint and even worse still, from the standpoint of the well being of the greater society. As Deetz (1995) puts is, corporations should realise that

> *management cannot be left as the head of a company that opposes*
> *stakeholders, management must lead the company for the*
> *stakeholders... Stakeholders interests are not limits to corporate goal*
> *accomplishment, they are to be considered as the corporation's goals (p.*
> *48).*

Grunig & Grunig (2000) explain that effective organisations achieve their goals by surviving in an ever changing environment and by utilising necessary resources from that environment. They add that strategic constituents of the environment, both internal and external, can threaten or assist the organisation in its goal attainment. For an organisation to achieve its goals, it needs to incorporate the values of strategic constituents. Public relations can assist the organisation in identifying and prioritising these constituents and their values because public relations practitioners are the boundary spanners between the organisation and the environment. They can assist in bringing the goals and values of other strategic functions together by facilitating a work team to fulfil this purpose (Grunig & Huang, 2000). The public relations function is also responsible for building the relationships with strategic constituents which, according to Grunig & Grunig (2000), can reduce

> *costs of litigation, regulation, legislation, pressure campaigns, boycotts,*
> *or lost revenue that result from bad relationships with publics (p. 307).*

Healthy relationships can also help the organisation withstand the negative effects of a crisis (Grunig & Huang, 2000). This leads to a discussion of the strategic constituencies approach and the stakeholder theory of organisations.

5.3.1 The stakeholder theory of strategic management

The external environment of organisations is becoming increasingly complex and is constantly changing (Sherman & Schultz, 1998). Because of this a virtual network of resources outside the organisation is making a growing contribution, and recent trends in business are working towards strategic alliances with all types of subcontractors, joint ventures, and other concerned stakeholders. Stakeholders are all groups that might have an effect on the organisation or who might be influenced by decisions made by the organisation. For a corporation to be successful it needs to manage mutually beneficial relationships with stakeholders (Post et al., 2002). A study conducted in ten major organisations (Quinn, 1998, p. 133) to document the dynamics of strategic change processes found that almost all the companies mentioned that stakeholders, such as government and activist groups, were among the most important forces of change in the strategic management of those organisations. Amid all the changes, it remains essential for the organisation to operate in ways that create long-term wealth for the organisation and all parties involved. As Post (2002) points out,

> *Organisational wealth is the summary measure of the capacity of an organisation to create benefits to any and all of its stakeholders over the long term (p. 45).*

When the management of organisations take an interest in their internal and external stakeholders, and fully involve them in decision-making, the stakeholders will begin to trust them. This adds relational value to the organisation, which will in turn contribute to corporate performance (Post et al., 2002).

A typical stakeholder map of any organisation will include internal stakeholders, such as employees, and external stakeholders who are influenced by various societal, technological, political, and economic factors in the environment (Harrison, 2003; Post et al., 2002). The external stakeholders include groups such as customers and clients, the media, government, financial institutions, unions, suppliers, activist groups, competitors and local communities. The stakeholder model of strategic management is intended to keep management aware of the complex network of forces that could influence the organisation's success and behaviour (Harrison, 2003). A second important contribution of the stakeholder

model to strategic management is to constantly remind management to consider a broader group of constituents in its decision-making processes in order to prevent surprises and crises. It thirdly provides management of more strategic choices and options.

In the stakeholder theory organisations are portrayed very differently from traditional organisations that have well defined structures and boundaries. Growing involvement and participation of external stakeholders are opening up the borders and boundaries (Sherman & Schultz, 1998). The stakeholder theory offers a compromise between the environmental theories of enactment and adaptation, previously discussed in Chapters 2 & 3. On the one hand, the stakeholder approach follows an adaptation strategy of stakeholder analysis, involving identification and prioritisation of stakeholders in the external environment (Harrison, 2003). Information is gathered about and from the most important stakeholders in order to establish strategic direction and formulate strategy. This is one way an organisation adapts to the external environment. On the other hand, the enactment approach is also applicable to the stakeholder theory. Management of stakeholders

> *includes communicating, negotiating, contracting, and managing relationship with stakeholder, and motivating them to behave in ways that are beneficial to the organisation and its other stakeholders (Harrison, 2003, p. 14).*

These two processes of analysis of stakeholders and the management of relationships with these stakeholders happen simultaneously.

It is important to note that although the stakeholder theory emphasises the importance of relationships with stakeholders it is approached from a persuasive perspective where the stakeholder relationship management processes

> *are most closely associated with efforts on the part of organisations to influence, or enact, their environments (Harrison, 2003, p. 14).*

This is almost the same as the two-way asymmetrical model of public relations where the

> *broad goal is to persuade publics to behave as the organisation wants them to behave (Grunig et al., 2002, p. 60)*

and research is used to

> *determine how to persuade publics to behave in the way the client organisation wishes (Grunig et al., 2002, p. 308).*

A change programme is enacted by managers on employees and other stakeholders and placing the power in the hands of management and

> *thus always reaffirming the controlling, parental position and, as we would expect, extending managerial interests (Deetz, 1995, p. 4).*

From a critical postmodern perspective, persuasion *per se* is not the problem, that is, as long as it is not one-sided and asymmetrical, persuading the public only to the side of the organisation, when the organisation should also be willing to change to the side of its publics. Both the enactment and the adaptation theories should be balanced, and information should be gathered in order to facilitate dialogical processes between the organisation and its publics, that is, where both should be willing to "listen as well as argue" (Grunig et al., 2002, p. 317).

Post et al. (2002) define the stakeholder view as:

> *The corporation is an organisation engaged in mobilizing resources for productive uses in order to create wealth and other benefits (and not to intentionally destroy wealth, increase risk, or cause harm) for its multiple constituents, or stakeholders (p. 17).*

When corporate managers listen and respond to the interests of stakeholders they will contribute to the wealth-creating capacities and activities of the organisation. Post et al. emphasise that they do not mean the 'management of stakeholders' when they refer to stakeholder management, because this would imply "manipulation of stakeholders for narrow organisational purposes" (2002, p. 20). Mutual benefit is the key managerial accent. The continued support of all stakeholders during change depends heavily on their perception that they are benefiting from the relationship with the organisation. If stakeholders feel that they are benefiting and that there is reciprocal trust in the relationship with the organisation, the need for formal communication in the form of regulation, contracts and hard bargaining becomes redundant. When parties collaborate they create unwritten contracts and 'trust funds' that build social capital (Post et al., 2002). The unwritten contracts are

bonds and links based on trust that tie groups together and they build up a 'trust fund' that either party can 'dip' into in times of uncertainty or crisis.

According to the stakeholder approach to organisations, trust is based on the belief in the ability and willingness of both parties to behave in the best interest of the other (Post et al., 2002). Integrity of the trustee is seen as a further contributor to the trust relationship, that is, when the trustee adheres to the value system of the trustor. The trust between stakeholders and organisations are sensitive and risky since both parties are vulnerable to being exploited. However, if a common understanding and trust can be achieved, communication will be less restrictive and relationships will become an intangible asset. A collaborative approach is not only more beneficial in terms of economic goals, but also has value in societal context, where meaningful democratic participation creates better citizens and social choices (Deetz, 1995). Dialogic communication and strong relationships can break the deadlock of self-interest and control, giving organisations a sense of the power of consent.

This brings us to the important differences between an information approach and a communication approach, and between communication strategy and participatory relationship strategy.

5.4 From strategic communication management to strategic relationship management

Current public relations theories that deal with management and corporate communication 'strategy' are much in line with the above general strategic management views of structured planning and decision-making. Public relations literature portray a rather traditional view of 'strategic communication management' because emphasis is much on the planning process of campaigns and communication plans which, in other words, is a tactical and technical view of the communication management process. The planning process is usually described as well defined steps or stages that follow one another, comprising broadly of research (formative and environmental scanning), planning (sometimes called the strategy stage), implementation (or tactics stage) and evaluation (Kendall, 1992; Oliver, 2001; Smith, 2002; Cutlip et al., 1994).

Steyn & Puth (2000), Grunig & Repper (1992), and White & Dozier (1992) call this process "communication management planning", which is distinct from "corporate communication strategy". One of the leading theorists in current views of corporate communication strategy, Steyn (2000) refers to this difference when she explains that

> where strategic thinking determines the strategy (i.e. what the organisation should be doing), strategic, long-term and operational planning helps to choose how to get there by programming the strategies, making them operational (p. 38).

Plans should be linked to strategies, but a strategy is the outcome of strategic thinking and has external, long-term focus.

Steyn (2002) describes the corporate communication process of strategic thinking as

> senior communicators and top managers taking strategic decisions with regard to the identification and management of, and communication with, strategic stakeholders (p. 126).

She further proposes corporate communication strategy on a functional level, where each functional unit of the organisation will contribute to the higher-level strategies associated with strategy implementation. Grunig et al. (2002) support this in pointing out that the Grunig & Repper's model (1992) was developed to adjust to the postmodern view, that is, where the participation from all management disciplines amalgamate resources to create and implement a strategy. Steyn (2000) suggests that the contribution of the corporate communication function should be the provision of information about stakeholder interests through research. She proposes a model for the development of a corporate communication strategy, where a series of steps provides guidelines to follow. The same basic model is also proposed by Ferguson (1999), which starts with an analysis of the internal environment of the organisation in terms of the mission, culture, vision, and the like. The most important part is to establish the organisational goals and objectives since the communication strategy should support and flow from these macro-levels.

The next step in this proposed strategy formulation process is the identification of the strategic stakeholders and publics of the organisation through an environmental analysis (Grunig & Repper, 1992; Ferguson, 1999; Steyn & Puth, 2000; Grunig et al., 2002; Smith, 2002). This is followed by the 'issues stage' where problems are identified that could have an impact on the organisation or the stakeholders. The issue stage would then lead to the setting of communication strategies, goals and objectives out of which communication plans are developed. All of these newer and sophisticated approaches to strategic communication management emphasise the importance of relationships as the core principle around which these strategies have to operate.

Grunig et al. (1992, p. 123) refer to the terms "manage" and "strategy" as "thinking ahead or planning rather than manipulation and control". Strategic management is a symmetrical process where the organisation considers its strategic interest, and changes its behaviour in order to accommodate stakeholders in its environment. Grunig et al. further describe it as "an approach, design, scheme, or system" (p. 123). This view of strategic management, which has only just emerged in the past two decades together with postmodern approaches to strategic management, coincides with the strategic management perspective of the organisation as a network of relationships with stakeholders (Harrison, 2003; Steyn & Puth, 2000).

There are a few concerns with the above perspectives and these will be addressed in the final section of this thesis with particular reference to the postmodern approaches (chaos and complexity theories)s to strategic communication management. Some of these problems relate to the fact that the above models still follow deterministic, logical, causal, linear 'steps' and processes. The improved model by Grunig & Repper (1992) suggest a more interactive and cyclical approach; but the "three stages" still suggest chronological inputs and consequences.

In all of the above models, the emphasis is still on communication management and communication strategy, and not on the management of relationships, as is seen here in Steyn & Bütschi's (2003) definition of public relations strategy:

> *Public Relations strategy provides the focus and direction for an organisation's communication with its stakeholders, determining what should be communicated to assist in achieving organisational goals. These core messages are derived by identifying the organisation's key strategic issues (including social, political and ethical issues) and determining their impact on the stakeholders/other interest groups in society. Thereafter, determining what should be communicated internally and/or externally to solve the problem or capitalise on the opportunity presented by the issue (p. 4).*

This definition demonstrates clearly that the focus is not on relationships or on the process of relationships, but on communication particularly with a major focus on determining what should be communicated, placing the control in the hands of the communication manager in terms of the content of the message. The control within this view of communication is not totally symmetrical or participative with reference to the stakeholders at whom the communication is aimed. There is no implication of participation in the formation of the messages, or much mention of the application of relationship management in order to achieve strategic goals. One could compare the involvement and participation raised by Steyn & Puth's (2000) model to the involvement principle in the critical theory of Deetz (Griffin, 2003) where stakeholders are involved by making themselves heard, but they do not have any true participation in the decision-making processes. Admittedly, Steyn & Puth (2000) do argue for more participation where:

> *research must shift from explaining the organisation's position or point of view, to listening with a view to taking different actions. Create forums for stakeholders to share expectations, invite them to comment, to help create values and to take part in auditing to see how the organisation adheres to its policies and values. This will lead to agreement on objectives that will secure stakeholder commitment, and thereby add stakeholder value (p. 197).*

Yet, the approach is on agreement and the resolution of conflicts, and the 'relationship' is still controlled by the strategic managers of the organisations. The public relations manager is prompted to improve research and strategic skills in order to become part of top management and be allowed into the board room. In contrast, the critical approach calls for ongoing negotiations (Deetz, 1995), and for

the public relations managers to be activists and not conform to management principles and power practices (Holtzhausen & Voto, 2002).

Figure 5-4: Deetz's communication and information orientation
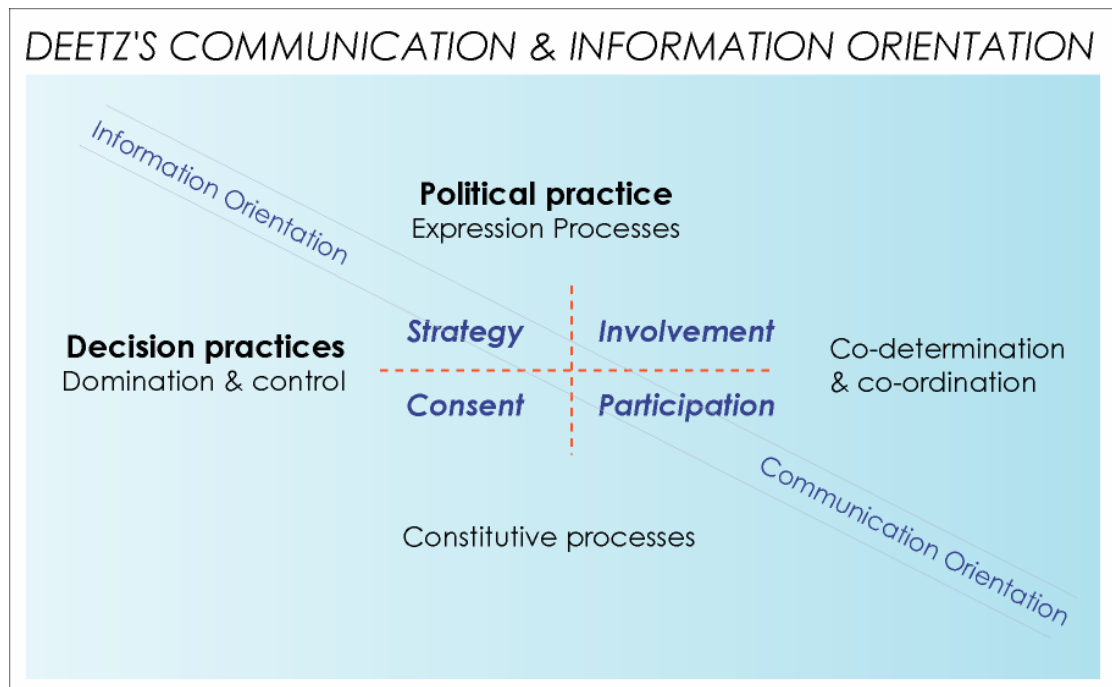
Deetz (1995) explains the above distinction well in his diagram of the difference between control and co-determination, or constitutive practices. The two dimensions of *political practice* and *decision practice* represent how messages are sent and what action stems from joint decision-making. Political practice refers to what effect messages are supposed to have in society, and at one extreme, *expression processes* make known information that has previously been unknown and exists independently somewhere else. Moreover, this information is a reproduction of neutral and transparent feelings, meanings or perceptions that are free of any ideology. *Constitutive communication* consists of active and discursive processes that make meaning by focusing on society in a particular way. As Deetz (1995) puts it,

> *Informational approaches to interaction study are guided by a conception of messages as expression, and communication approaches by a conception of messages as constitutive (p. 99).*

The second dimension in Deetz's (1995) diagram represents the decision-making processes regarding differences in society. Some of these processes are closed and exclusive, and some are more open and participatory. Deetz refers to Habermas's conception of this difference to clarify this dimension. More specifically, Habermas differentiates between strategy aimed to control or dominate and communication action in order to reach shared meaning and understanding. Informational approaches of interaction tend to perpetuate control, but dialogic communication approaches extend the participative nature of the meaning making process.

Deetz (1995) elaborates on this diagram further by exemplifying ideal types in each quadrant. Specifically, each represents the different ways in which corporations and publics make decisions. The four corporate practices represent the fundamentals in Deetz's critical analysis of managerialism (Griffin, 2003). Managerialism is strengthened by discourse of ideology and language. Control and power are supported by the use of terms and phrases such as 'in-formation', 'dead-line', 'making things run smoothly', 'bottom-line', 'management by objectives', 'key performance areas', and the like. Measurement becomes another form of control, and anything that can not be measured is not worth using. Every function is measured to see how it contributes to the 'bottom line'. Every form of employee dissent or resistance is very quickly 'dealt with'. Strategy is usually a dominant power that uses "reward, propaganda, coercion, and manipulation for control" (Deetz, 1995, p. 100). Information is usually open, direct, visible, and knowingly disseminated from the top structures in a system in their interest.

Involvement is typically a more democratic process where information is widely distributed, and dominant positions are elected through voting and due process. There is a free marketplace of ideas and freedom of speech, although the systems of information establishment are seldom questioned. This aspect of involvement, described by Deetz, corresponds to the communication strategies proposed by authors such as Steyn (2000), where forums provide opportunity for free expression of ideas. However, 'voice' does not imply just having a say (Griffin, 2003). As according to Deetz (1995), the right of expression of ideas and resistance to dominant ideologies is more important than the right to be informed. In other

words, employees' ideas should not merely be heard but represented in the final decision-making process.

The third quadrant of consent proposed by Deetz (1995) is when information formation happens unnoticed through ideology and unquestioned practice, or as Deetz puts it, "When hegemonic, contestation appears irrational and ill-formed" (p.100). This happens when stakeholders willingly, but unknowingly, give their loyalty and support to an organisation without having their own needs met. The group complies with their own victimisation through "systematically distorted communication" (Griffin, 2003, p. 293).

The last quadrant represents participation and is based on

giving voice to difference, negotiation of values and decisional premises, and the production of new integrative positions (Deetz, 1995, p. 100).

Any system may be questioned and power positions may be contested. True dialogue and discourse take place and conflict is welcomed. None of these dimensions are distinct extremes but they are continuous, and information often moves from strategy to involvement as it becomes more complex. In the same way, communication can move from concern or involvement to participation as it becomes more complex.

In order to apply the above diagram to organisational situations, Deetz (1995) points out that strategic planning brings along with it strategic social interaction in the form of marketing and public relations, and extends management control to the markets and the environment. Deetz is of the opinion that strategy discourse propagates power relations and stakeholder interests. Stakeholders are coerced into involvement where they increase their expression, but not necessarily their representation. In Deetz's (1995, p. 104) words, "They create a discussion forum without giving 'voice'". The control is never really relinquished, as conflicts are suppressed or 'managed' in order to solve them, and groups unknowingly consent to unequal partnerships where management still retains more power. Being involved make groups feel that they are participating, but they have to pay the price of losing their voice and giving up resistance. True participation is the process of

dialogic communication where meaning is not created through influence but through participation. As Deetz (1995) states,

> *The humanistic psychologists' conception of "meaning is in people" is replaced by the communication question of "whose meanings are in people (p. 107)*

For true participation to take place all decision-making processes should be codetermined by all being influenced and by a decision outcome. The only way for decision outcomes to be ethical and moral is by equable participation. Answers lie in ongoing negotiation processes, not in the outcome of negotiations, that is, especially if the negotiation processes are governed by strategy put together by powerful dominant groups.

The problem with most of the above corporate communication strategies, or public relations strategies, is the lack of emphasis on participation and relationships. Many have processes of two-way communication and involvement, but whether they incorporate true participation, as put forward by the critical theories, postmodernism, chaos and complexity, is to be questioned. The importance of involvement or participation is mentioned but not discussed in detail, and without clear guidelines of how this would be included in the strategic processes proposed (Steyn & Puth, 2000; Steyn, 2002). Many communication managers are starting to understand the idea of attending to stakeholder needs and building relationships with them, but few understand the fundamental difference between being involved and being given a 'voice' (Deetz, 2001). Loyalty and commitment is encouraged through involving stakeholders, and most 'strategic' communication managers are co-opted into top management structures to form relationships that decrease resistance and resolve conflict. Communication managers should play the role of organisational activist (Holtzhausen & Voto, 2002) where collaborative decision-making results from genuine decisional inputs from stakeholders. In order to improve the positions of management, stakeholders and the environment, communication managers should become relationship managers by seeking alternative viewpoints to debate, providing forums for those conflicts, and contribute to meaning-making through continuous negotiations.

5.5 Change communication

There are basically two viewpoints of change communication: one dealing with single incidents of change (such as a crisis suggesting crisis communication), and the other dealing with communication in a constantly changing environment, thus suggesting a continuous approach to change management. The emergent approaches discussed in previous chapters address continuous change becoming part of everyday change communication. In a continuously changing environment, change is an everyday challenge to communications, and communication should become part and parcel of the change management process.

An investigation of the most popular change communication literature (Sanchez, 1997; D'Aprix, 1996; Larkin & Larkin, 1994; Cushman & King, 1995) has reflected a pure communication approach to change. Relationship management as part of the change process does not feature, and change communication is seen as one of the many issues to address during change. Larkin and Larkin's approach (1994) to change communication is summarized by: Communicate only facts; stop communicating values; communicate face-to-face; do not rely on videos, publications, or large meetings; target frontline supervisors; and do not let the executives introduce the change to frontline employees. This is a typical example of how change communication has been approached – a very technical, rules based, top-down approach. They do, however, place importance on uncertainty and probabilities.

D'Aprix (1996) mentions the importance of trust in change communication, but then continues not to explain or apply this principle any further. Chakravarthy's (1997) study into the change and corporate transformation strategies of two international telecommunication corporations finds that in order for successful change to happen, management needs to build trust by providing a voice for stakeholders. Participation and voice means inviting stakeholders to question decisions, file grievances, and verbalise conflicts.

Deetz (1995) summarises this rather eloquently:

> *The problem is that we are fighting over the direction of our companies and of our society. Those in control want to keep control at virtually any cost, and various consent processes keep others from being able to focus*

> *their energies on change and greater representation. The focus must be on the misunderstandings, misrecognitions, and suppressed conflicts before new programs can be embraced and successfully implemented. This requires reconceptualizing the nature of corporations and the processes of communication and representation. If meaningful change is to happen, reconceptualizing the process of interaction must be done together with structural changes in corporation along the line of the stakeholder model. Otherwise there is no space for the reclaimed conflicts and process of perpetual negotiation (p. 168).*

5.6 Applications and implications of emergent postmodern approaches for public relations and change management

5.6.1 Relationship management

In the management of organisations, effectivity is achieved when organisations attain their goals that are appropriate in relation to the organisation's environment. If not, strategic constituencies within that environment will keep it from achieving its goals and, ultimately, its mission (1992, p. 11). Communication management helps the organisation achieve these goals by identifying and building healthy relationships with the strategic constituencies. The healthier these relationships are, the more likely the organisation will be in achieving what it sets out to achieve. The quality of these relationships determines the effectiveness of the public relations function within the organisation. Living systems and learning organisations should concentrate on relationships and how they work (Flower, 1993, p. 50). As Youngblood (1997) points out,

> *Relationships skills are no longer a luxury. They are a necessity - both in business and for our global survival (p. 270).*

New and more fluid structures will replace traditional hierarchical structures, and information exchange will increase and accelerate (Marlow & 'O'Connor Wilson, 1997, p. 61). The 'network organisation' as mentioned by Bush & Frohman in 1991 (cited in Marlow & O'Connor Wilson, 1997, p. 68) is designed around communicators who "bridge, meld, and thus create synergy amongst the organisational units". This involves horizontal communication across departments and organisational borders in order to achieve creativity and innovation.

Communication managers could fulfil the bridging functions and facilitate interaction and network building, as well as contributing to management by

> *helping the corporation adjust to this change by creating understanding and making knowledge more productive (Marlow & O'Connor Wilson, 1997, p. 72).*

The role of communication management is becoming increasingly relevant, if not invaluable. The core responsibility of communication management is the maintenance of relationships and the facilitation of interaction (Grunig, 1992, p. 11; Ledingham & Bruning, 1997, p. 27). Therefore, communication becomes the basic requirement for self-organisation, and communication management becomes the strategic tool to manage the interactions. As Grunig (1992) notes, public relations and communication management describe communication with

> *both external and internal publics - groups that affect the ability of an organisation to meet its goals (p. 4).*

Kiel (cited in Evans, 1996, p. 492) promotes the idea that management should create learning organisations that are flexible and fluctuating. He proposes citizen participation and stresses that although this could bring about complexity,

> *empowered and involved citizens could fulfil the intention of democracy (Evans, 1996, p. 492).*

They participate in the process of creating service to customers and clients. Thus they create their own reality and take ownership of it. The borders of the organisation become open and no definite lines can be distinguished. The implications for the other functions within the organisation become prevalent. Strict differentiation between functions in the organisation can cause fragmentation. Sub-systems should be more flexible with an interdisciplinary approach of working together to achieve strategic organisational goals.

Within the emergent perspectives more emphasis is placed on relationships between entities, and not on the characteristics of the entities themselves (Wheatley, 1994, p. 68); Cilliers, 1998, p. 116). As McDaniel(1997) point out,

> *Relationships are all there is to reality and nothing exists independent of its relationships with the environment (p. 24).*

If communication management is all about relationship building, then the importance of this field of study to management is self-evident.

5.6.2 The role of participation

Another major contribution of the emergent theories to change management is the participative nature of new sciences management (Wheatley, 1994, p. 64). If employees participate in decision-making, they will also take ownership for the work they are doing and will feel that they have an emotional investment in their work. Just as reality is what is observed in quantum logic, in the same manner employees will only see a decision as 'real' if they have interacted with it, and will only commit once they have participated. It is almost possible to say that if employees participate in all the decision-making processes, it would not be necessary for management to take the responsibilities for changes to happen—the people themselves will make it happen.

But this participation does not merely suggest interaction (communication) with stakeholders, but also participation (negotiation, discourse) by all stakeholders in the creation of the strategic process itself. This is essentially a bottom-up approach to strategic management. Steyn (2000, p.192) alludes to this notion when she refers to participation of and partnering with stakeholders of an organisation, although the rhetoric used in her suggestions still indicate traditional management ontology. The use of such terms as 'appointment to board of directors', 'management', 'control', 'included in major decisions', implying that the processes are still managed by the organisation, and stakeholders are appointed or included in decision-making by management. In short, the control in this context is still in the hands of management. A postmodern perspective would suggest taking a step back where diverse stakeholders are part of a network of relationships and decisions resolve and flow naturally out of discourse and constant change. The emphasis is on the relationships and not on the decision-making processes. If the relationships are strong, then the outcomes of decisions would almost not matter because whatever the outcome of a decision, the consequences would work out to be to the benefit of the organisation in the long run.

5.6.3 Free flow of information

The traditional view of management, in terms of communication, is that information is power and it has to be controlled and "fed to employees in little doses" (Flower, 1993: 51). This worldview implies that structures determine the information needed, and that perceptions must be managed by feeding the 'right' information and withholding information that might lead to disorder and chaos (Youngblood, 1997, p. 62). The immediate reaction to disorder caused by changes was to clamp down on information and to control it (Flower, 1993, p. 51).

Flower (1993, p. 51) suggests a radical approach to the flow of information. That chaos should be created by providing an overflow of relevant and important information to such an extent that it overwhelms employees. People then get scared and frustrated, and will try to control the information. The overload of information finally causes people to give up and let go. Only then can people develop the ability to look at the information holistically and form knowledge and wisdom—knowledge that is adaptive and transforming.

The flow of information in a system is what keeps a system alive (Youngblood, 1997, p. 69) and builds strength into a system (Wheatley, 1994, p. 102). Communication managers are responsible for the creation and translation of symbols in organisations (Holtzhausen, 1995, p. 154) and the more complex the system, the more the responsibility the manager has to create shared meanings about the interpretations of symbols (Spicer, 1997, p. 188; Gayeski & Majka, 1996, p. 24). It is also interesting that the more information is processed during times of change, conflict, and complex decision-making, the higher the quality of the decisions ultimately made. According to Spicer (1997),

> communication managers are more likely to engage in symbol creation behaviours, especially ones involving external stakeholders during times of uncertainty (p. 242).

5.6.4 Conflict management

Spicer (1997, pp. 70-73) argues that although the systems theory holds that the public relations function attempts to maintain a degree of equilibrium between elements in the environment and the organisation, it falls short because this

implies an apparent self-centred focus of the alignment process, as well as a degree of control. From the perspective of chaos theory, the systems approach to public relations also denies the fluctuations in the environment to such an extent that non-linearity and complexity could move the organisation into chaos and disorder. Within the chaos paradigm, it is almost impossible for public relations to be held responsible for maintaining homeostasis in an environment as volatile as the one in which organisations currently have to function.

The political approach of Spicer (1997, p. 138) comes closer to the chaos approach in the sense that it stresses that the more uncertain an environment, the more politics of management will come into play. Spicer suggests that because of the boundary spanning function of public relations, it acts as an "uncertainty absorbing buffer" (1997, p. 139). During times of change uncertainty abounds and ambiguity arises because of

> *our inability to understand complexity and change or our inability to forge shared understandings on how best to respond to those complexities and changes (Spicer, 1997, p. 227).*

Contrary to the Newtonian approach to organisational management, the chaos paradigm suggests that instead of taking responsibility for the maintenance of equilibrium with the environment, organisations could actually create chaos and ambiguity in order to stimulate growth and development. Conflict would then be only a symptom of the organisations attempting to reorganise itself (Dennard, 1996, p. 498). Managers should become "facilitators of disorder" (Wheatley, 1994, p. 116), and should involve employees in seeking disconforming information. They should set processes in place to support the conflict that organisational ambiguity creates (Wheatley, 1994, p. 116).

Again in Spicer (1997, p. 266), it is suggested that public relations managers should become more involved in strategic management decision-making the more complex the environment becomes. The relationships with the environment should be analysed to determine what strategies should be followed in conflict situations, and a combination of the collaborative and the advocacy conflict management approaches should be followed. Spicer (1997, p. 266) further suggests that the concern over the ethical issues involved in conflict management should be the

responsibility of the organisational ombudsperson. Because public relations should know the intricacies of organisation-stakeholder relationships, the communication manager should be involved in this conflict management process. Organisations are often seen as arrogant in the way they manage conflict situations during times of change, because they become involved in an assertion/counter-assertion spiral that could lead to negative entropy and ultimate breakdown. Only a true understanding of relationships, channels that carry information in both directions, and symmetrical conflict management can contribute to wise management decision-making. As Spicer (1997) states,

> *Accurately understanding the perspective of outside groups is the art of public relations and the mark of a truly talented practitioner (p. 297).*

5.6.5 Diversity management

Together with conflict management comes the new role of relationship management from the perspective of the chaos and complexity paradigm, which introduces as much diversity as possible into organisations (Dennard, 1996, p. 499). Marlow & Wilson (1997) argue that

> *...innovation occurs, in part, as a result of an individual or group of individuals having the courage to highlight their relative cognitive diversity (p. 58).*

Stacey (2003) adds to this:

> *Diversity is a prerequisite for the emergence of the new (p. 262).*

Diversity brings conflict and ambiguity but it also delivers creativity, variety, strength, increased dialogue and adaptability. Dialogue explores different ideas and in turn produces more complete understanding (Youngblood, 1997, p. 255). The traditional approach in public relations and marketing communication that calls for 'one voice', in terms of consistent and controlled communication, should also be questioned as this does not support a divers approach, that is, where dialogue, discourse, conflict, and learning in the organisation can take place (Holtzhausen & Voto, 2002). As Grunig et al. (2002) so aptly put it:

> *The organisation may gain an advantage in speaking with one voice; it suffers the disadvantage of listening with one ear (p. 280).*
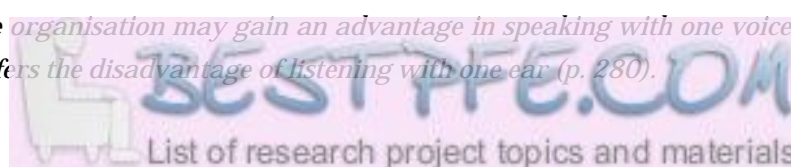
Employees should develop a mindset where they can interpret, understand and appreciate diverse points of view without being taken aback by these differences. Organisations will only become diverse if minority groups are empowered (Marlow & O'Connor Wilson, 1997, p. 59) and, again, the role of ethical conscience that the communication manager could play in the organisation is of significance. There is also a direct link between excellence in communication in an organisation and the diversity of employees (Dozier et al., 1995, p. 151). The choice of channels of communication, understanding different internal and external audiences, and facilitating relationship building and two-way symmetrical communication, are competencies that communication managers could bring to effective diversity management (Marlow & O'Connor Wilson, 1997, p. 59; Dozier et al., 1995, p. 151).

5.6.6 Issues management and social responsibility

As organisations change, they carry a great responsibility to the stakeholders who could be affected by all these changes. They should be considered in terms of decision-making and should participate in the strategic planning of the changes (Marlow & O'Connor Wilson, 1997, p. 43). As strategic managers, communicators should fulfil a boundary spanning role, perform environmental scanning, and act as a warning system in times of crises and change (Dozier et al., 1995, p. 15). Environmental scanning could alert an organisation about issues in the changing environment that could amplify and cause negative entropy in the organisation. Research is an invaluable tool for the communication manager to scan the publics affected by changes, and provide information vital in building relationships, sensing conflicts and strategic decision-making (Dozier et al., 1995, p. 199).

As with the chaos principle of fragmentation and fractals, issues managers find relationships between social concerns and issues within the organisation (Murphy, 1996, p. 103). These relationships are impossible to fully understand and identify when considered in a linear, quantitative and fragmented way. Rather, they should be studied over time and from a distance so that the patterns may be identified. Linkages should be made almost with a 'sixth sense' developed by experience of the industry and through networks and well-formed relationships.

The 'flow' of the different publics of the organisation could also be described and identified within the chaos paradigm (Murphy, 1996, p. 103). Just as the flapping of the butterfly's wings can gain momentum and cause a tornado, isolated dissatisfied individuals can gather force by grouping together in increasing complexity. Publics and stakeholders that change constantly in terms of becoming more of less active, depending on the issues at stake, make in difficult for communication managers to identify points of bifurcations and what the 'real' issues are. Murphy (Murphy, 1996, p. 103) suggests that they should learn from chaos theory in order to look further than short-term demands and complaints, and search for the true strange attractors by building relationships with publics. This is where corporate social responsibility becomes relevant as a

> *concern and active two-way involvement with social, economic and political forces which influence the environment within which it exists (Overton-De Klerk, 1994).*

Social responsibility is a constant dialogue with the environment in order to fit the organisation to the needs of publics, rather than trying to influence publics to change according to the needs of the organisation (Murphy, 1996, p. 103). The strange attractors of this chaotic system, such as interest groups, make it very difficult to 'manage' publics. They resist changes from the outside, but their inherent fluctuations cause their own changes. It is thus important to build relationships with these groups through education and dialogue that might amplify to larger and unpredictable.

All systems are independent and an organisation only exists because the environment, within which it exists, allows it to be lucrative. There is a symbiotic relationship between an organisation and its environment, so some of the profits generated through customers and consumers should be ploughed back into the environment (Ledingham & Bruning, 1997, p. 27). Ethical and responsible public relations will contribute to a better understanding, not only between organisations and publics, but also to constructive conflict management (Grunig, 1993, p. 137).

Ethical and successful organisational-public relationships build on "trust, openness, involvement, investment and commitment" (Ledingham & Bruning, 1997, p. 28). The correspondence between this advice of Ledingham & Bruning for

openness, involvement, and investment in the community and the arguments of chaos specialist (see also Wheatley, 1994; Youngblood, 1997; Briggs & Peat, 1989; Murphy, 1996) for open, borderless, participative systems, are obvious. It also follows that the more the organisation is in close contact and dialogue with the environment, the easier possible crises can be assessed and issues can be identified, and these can be included in strategic planning.

5.6.7 Crisis relationship management

Recall Aula's (1999) depiction of bifurcations:

> *Bifurcation refer to a system's condition or behaviour's suddenly dividing or branching into two different or merging part behaviours (p. 193).*

These points of bifurcations can happen if an organisation's structure becomes unstable or the environment changes so rapidly that the organisation loses control (Aula, 1999, p. 197). These bifurcation points can occur recursively and thus form bifurcation trees, which are multiple points of change and complexity that are difficult to control. This is typical of a crisis situation within an organisation.

A crisis is a bifurcation point in the

> *organisation's history which irreversibly changes its culture and business (Murphy, 1996, p. 106).*

These points are not random but they occur because of accumulated flaws or problems within the system. But just as all crises do not necessarily lead to negative outcomes (compare the building of trust and credibility in the famous Tylenol-tampering crisis), these questions can therefore be asked: why is chaos seen as negative? That is, if a system could evolve into such a large negative chaotic state, why couldn't the same momentum be used to generate positive energy and change? Communication management has the potential of turning a chaotic state into a positive state (McDaniel, 1997, p. 25). That is, a communication manager could facilitate the building of positive values, and thereby contributing to large positive outcomes in the future state of the organisation.

Effective communication management is a critical tool in the management of a crisis situation (Marlow & O'Connor Wilson, 1997, p. 84). Organisations often experience information meltdown during a crisis, and decide to take total control of all information, and feeding through only what they consider important, necessary or 'safe'. It is at this point that open, free and total flow of information is crucial as propagated by the chaos approach (Flower, 1993, p. 50).

5.6.8 Knowledge management and learning organisations

According to the chaos concepts of holism, systems should be understood as relationships that exist between all the entities of the system (Wheatley, 1994, p. 9). These systems are ever changing and, if viewed from a distance, display recurring patterns that have characteristics of earlier patterns. Organisations go through cycles, and because of their inherent ability to change, there is also an inherent need to learn (Youngblood, 1997, p. 134). The more changes occur, and the more diversity is built into the system, the more conflict becomes a regular occurrence. But, as mentioned earlier, this can lead to growth and development. Marlow & Wilson (1997, p. 79) warn that employees should not only be motivated to make the correct decisions during times of change, but also be empowered with knowledge. According to statistics from an unpublished United States by Career Systems Advantage, Inc. white paper,

> *knowledge workers (professionals and technical workers) are the fastest growing segment of the workforce, predicted to be 20 percent by 2005 (cited in Marlow & O'Connor Wilson, 1997, p. 38).*

Marlow & Wilson (1997, p. 79) suggest that an organisations' inclination to learn is directly influenced by management of information and communication. By examining the process of learning, the communication manager can contribute through the facilitation of dialogue and reduction of barriers to effective communication. Only by listening to the needs of employees, encouraging team interaction, challenging existing approaches, and providing communication channels, can an organisation truly learn and improve (Head, 1997, p. 197).

5.6.9 Strategic planning to scenario planning

As organisations become less predictable and less controlled, the question that can be asked is what the role of strategic planning will be. Suggested here is that it might become more important to plan strategically by looking at possible outcomes, that is, scenario management. If we manage as according to chaos theory, we will not be able to predict accurately (McDaniel, 1997, p. 24). The answer could thus be to look at possibilities of what could happen in future, and then plan for those possibilities. These plans would also have to be totally flexible and adjustable. The new slogan, according to T. J. Cartwright (cited in Flower, 1993, p. 50), a planning expert, should be "order without predictability". If this is true the importance of ongoing, two-way symmetrical communication and dialogue, as well as environmental scanning, again become significant. The contingency approach to strategic management posits that

> *organisations are most successful if they align their internal structures and processes with the demands of the environment (Spicer, 1997, p. 61).*

This can only be done by maintaining positive relationships through mutual adjustment and constant dialogue, and by scanning the environment for information on possible changes and crises.

Larkin & Larkin (1994) summarise this well in saying that in the complex and changing world we live in

> *the decision to restrict communication to certainty is a decision not to communication at all. Communication must be brought into alignment with the sorts of changes we are trying to communicate: uncertain, changing, and full of probabilities (p. 238).*

5.7 Role of the relationship manager and other leadership roles in change management

McDaniel (McDaniel, 1997, p. 29) believes that it is the responsibility of management to get people together and help them engage in dialogue, so that they can improve the process of self-organisation. The new leaders should constantly seek opportunities to connect groups and individuals. High quality, long-term

relationship's where mutual understanding and enrichment is promoted and nurtured, should be one of the key issues of strategic management (Youngblood, 1997, p. 115).

Wheatley (cited in Dennard, 1996) notes that the new manager should be more concerned with the maintaining of relationships than ever before because of the self-organising nature of relationships. That is,

> *In effect, goals are secondary to those relationships that make it possible to achieve goals (p. 499).*

Furthermore, effective leadership is about guiding organisational vision, values and beliefs. The leader's task is to communicate these, "keep them ever-present and clear" (Wheatley, 1994, p.133), but still allow employees the freedom to question, discuss and think laterally (Wheatley, 1994, p. 133).

Flower (1993, p. 52) suggests a revolutionary idea for managers who want to motivate their employees: just don't! Because of the self-organising ability of systems employees will make adjustments that would be required from them to prosper. Therefore, it will not be necessary for managers to find ways to drive people; rather that they should be provided with a suitable environment for developing themselves. More interestingly still, according to Flower (1993, p. 52), one of the most important factors that contribute to this 'suitable environment' is for employees to be involved in "satisfying social relationships". That is, they must be able to learn, have access to information, and be free to choose between a variety of relationships.

For many managers the chaos management approach holds many problems as they are afraid to lose control and to work with so little structure. However, many MBA students have reported that after a few years of completing their programs, they "wished they had focused more on people management skills while at school" (Wheatley, 1994, p. 144).

Communication consultants suggest that the communication manager's role in chaotic organisations is changing, and that it will not be sufficient to merely create effective technical communications, such as newsletters or annual reports (Gayeski & Majka, 1996, p. 5; McGoon, 1994, p. 13). They should become involved in

establishing effective communication channels to facilitate dialogue, diversity of ideas, and participative decision-making for change. As Gayeski & Majka (1996) point out, communicators should

> *learn the business and coach management to lead by example - that is one of the most effective tools around today (p. 6).*

Interpersonal and management communication skills are becoming increasingly important, and communication managers could assist executives in building their skills so that they can identify issues, provide contexts for information, and interpret possibilities (McGoon, 1994, p. 15; D'Aprix, 1996, p. 112).

5.8 Summary

In this chapter, the concept of relationships was explored with reference to the development of the concept and major contributions from other fields of study, such as marketing, interpersonal communication and strategic management. The theoretical move from strategic communication management to strategic relationship management has also been explained. In the latter part of the chapter the applications and implications of the emergent approaches, discussed in Chapter 3, for public relations and change management were discussed. In the methodology chapter that follows each of the previous theoretical chapters are combined to represent the independent and dependent variables tested in Chapter 6.

OVERVIEW OF CHAPTER 6: *Methodology*

CHAPTER 1: INTRODUCTION → INTERPRETIVE APPROACH → CRITICAL PARADIGM → POSTMODERNISM → CHAOS AND COMPLEXITY THEORIES → RELATIONSHIP MANAGEMENT

Background

Key concepts

Conceptual framework

Research statement, objectives, design & methodology

Findings, Conclusions & Implications

CHAPTER 2: STRATEGIC MANAGEMENT & CHANGE

CHAPTER 3: APPROACHES TO CHANGE MANAGEMENT

CHAPTER 4: EMERGENT APPROACHES

CHAPTER 5: RELATIONSHIPS & RELATIONSHIP MANAGEMENT

CHAPTER 6: METHODOLOGY

CHAPTER 7: FINDINGS

CHAPTER 8: CONCLUSIONS & FURTHER RESEARCH

Research problems & research objectives
Theory of hypothesis testing
Research design
Questionnaire design
Sampling method, sample size & data collection
Data processing
Hypotheses operationalisation
Data analysis & statistical techniques

METHODOLOGY & THEORY LINK

	Independent variables		Dependent variable	
Change management	**Planned approach** *Scenario A*	**Emergent approach** *Scenario B*	**Relationships**	**Validity & reliability testing**

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CHAPTER 6:

Methodology

6.1 Introduction

This Chapter describes the methodology applied in this study to address the research question. The literature review in the previous chapters provided the input for the methodology discussed in this chapter. The research objectives and hypotheses will be outlined first, followed by the research design, measuring instruments, sample design, data collection method, and the statistical analysis techniques.

6.2 Research problems and research objectives

6.2.1 Research problem

In 1998, Beer & Nohria (2000) organised a research conference at the Harvard Business School, then subsequently edited a book that contained all contributions made at the conference by prominent researchers and academics in the field of change management. Here, Beer & Nohria had requested Roger Martin (2000) to write an observation and critique about the conference in the concluding chapter. What came as a surprise was Martin's conclusion that the conference did not provide any real answers in terms of:

> *developing and integrative conceptual framework that would inform the question being asked by managers around the world: How do I go about managing change effectively?(Beer & Nohria, 2000, p. xi)*

He suggested that a "testable causal model" (p. 450) for change should be created, which would explain

> *why change doesn't happen now and how to make positive change actually happen (p. 450).*

Furthermore, Martin (2000) adds that Beer & Nohria have taken the

> *first step towards creating such a model with their Theory E and Theory O concepts (p. 451).*

From such a causal theory, Martin (2000) believes that guidelines can be set that could produce desired change effects. This study attempts to make such a contribution by specifically examining the role of the communication strategy followed during change in order to achieve the desired outcome (positive relationships and changed behaviour). As a result the research statement of this study is:

An experimental study of:

> (1) the connection between the communication management strategy followed during change in organisations and the relationship and behavioural effects on internal stakeholders (employees); and

> (2) the effects of the communication management strategy followed during high change on relationships and behaviours with the internal stakeholders (employees).

6.2.2 Research objectives

The main research objective of this study was to ascertain the relational, communication, and behavioural outcomes of different communication strategies during change in organisations.

The secondary research objectives were:

> (1) To compare the different communication strategies followed in order to establish a causal relationship between:

> > (i) the strategy followed and the relationship between the organisation and its publics; and

> > (ii) the strategy followed and the change effects achieved.

> (2) To establish a strategic communication management strategy that builds positive relationships with publics, thus achieving the desired change effects during high change.

The research objectives has already been summarised in Chapter 1 in Table 1.1. The propositions led to the hypotheses discussed in the next section.

6.3 Theory of hypothesis testing

When researchers want to test a theory, they usually make predictions or hypothesise that a particular variable will have an affect, cause, or certain outcome (Stacks, 2002). Thus a specific independent variable (output) will have a relationship (or make a change) in the dependent variable (outcome). This prediction is called a research hypothesis. There are two types of research hypothesis: non-directional, which predicts differences in the relationships between two variables; and directional, which predicts a specific direction or nature of the relationships or of the differences. Both directional and non-directional hypotheses were stated for this particular study.

6.3.1 Procedure of statistical testing

Hypothesis testing begins with theory. In this thesis, the theory of change management and relationships was explored in Chapter 2 to 5. In this chapter, the hypotheses derived from the theory are explained and formulated. The null hypothesis in any study is always stated in terms of no difference between variables, or as the status quo (Levine et al., 1998). The alternative hypotheses are stated from the theory and are the opposite of the null hypotheses, as Levine et al. (1998) note,

> *The alternative hypothesis represents the conclusion that would be reached if there were sufficient evidence from sample information to decide that the null hypothesis is unlikely to be true and we can therefore reject it (p. 341).*

However, if the null hypothesis is not rejected it can never be assumed that it is true. A failure to statistically reject the null hypothesis can only indicate that there is not enough evidence to warrant its rejection.

The following procedure is suggested for statistical testing (Cooper & Schindler, 2001, p. 493; Argyrous, 2000, p. 268):

- State the null hypothesis.

- Choose the relevant statistical test. The choice of test depends on the power efficiency of the test, the way the sample was drawn, the nature of the population, and type of measurement scale used.

- Select the desired level of significance. This is usually an α-level of .05 or smaller and is determined by how much α risk one is willing to tolerate in terms of rejecting the null hypothesis when it is in fact true.

- Compute the calculated difference value by using the appropriate significance test to obtain the calculated value.

- Obtain the critical test value from the appropriate table. The critical test value defines the acceptable region from the rejection region of the null hypothesis. This step is only important when one is not using computer analysis.

- Interpret the test by making the decision to reject the null hypothesis and to support the alternative hypothesis. This happens if the calculated value is larger than the critical value.

6.3.2 Formulation of the research hypotheses

In the next paragraphs, the theoretical justification for the hypotheses will be discussed in detail.

6.3.2.1 Theoretical justification of each hypothesis

As discussed in Chapter 4, chaos and complexity theories suggest that the interaction between people in an organisation create relationships that are necessary for the organisation to survive major changes. During change, meaning is derived from relationships (McDaniel, 1997) between all the entities and parties involved. This meaning-creation through relationships is necessary to keep the organisation 'together' and provides a 'strange attractor' during extreme change. In Chapter 5, the importance of participation in relationship management is further emphasised. Deetz (1995) questions whether meaning is in people, and suggests

that it would be more appropriate to think of meaning as being created through participation in communication processes. Emergent approaches to change management (discussed in Chapter 2) state that organisations that follow high participatory approaches to change have higher levels of involvement from all concerned (Beer & Nohria, 2000), and the more people contribute to solving complex problems, the better the solutions to these problems will be (Dunphy, 2000). J. Grunig's (1997) situational theory also implies that publics should participate in decision-making, as these publics are relevant because of their perceptions and behaviours towards the organisation, and not because the organisation chooses to build a relationship with them. The Excellence study showed that good communication changes the way publics and management behave and result in good relationships between them (Hon & Grunig, 1999).

The relationships model of Grunig & Huang (2000) identify the main relationship outcomes relevant to healthy relationships as *trust, control mutuality, commitment* and *relational satisfaction*.

From the above, it can be derived that the higher the participation of stakeholders during change, the more likely a positive relational outcome of trust, commitment, control mutuality and satisfaction will be. According to the situational theory of J. Grunig (1997), as stakeholders become aware of issues that might influence them, they get involved and search for information regarding those issues; and depending on the constraints present, they participate in the communication surrounding the issue. This level of involvement and the severity of constraints will thus determine the relationships between the organisation and the specific stakeholders.

Contrary to this, the planned approach to change specifies that only leaders of organisations can really make decisions regarding change as they are in the position to have access to the information and knowledge necessary (Conger, 2000). According to this approach participation of all parties involved would just take up too much time and valuable resources, and would not be practical. However, this thesis sets out to show that this planned approach would not lead to positive relationships, and would thus cost more time and money over the long term because negative relationships would have an ultimate negative effect on the

bottom line of the organisation and does not make any financial sense (Post et al., 2002).

THE SITUATIONAL THEORY

Problem recognition is high

Low constraints
. Free flow of information
. Receive a lot of information

High involvement
. Participation
. 2-way

High processing & information seeking

Relationship more positive

Greater communication & change effects
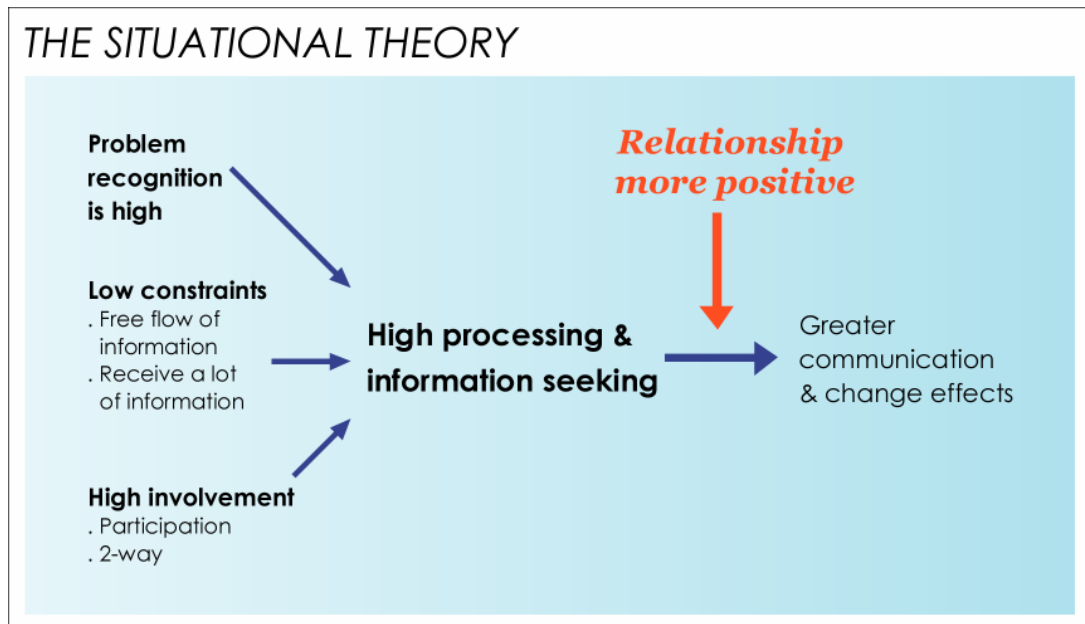
Adapted from J. Grunig (1997)

In the above diagram, adapted from the situational theory of J. Grunig (1997), high involvement (high participation and two-way symmetrical communication) and low constraints (free flow of open and transparent information) lead to high seeking and processing of information, which in turn leads to more positive relationships and greater communication and change effects.

The following table illustrates how each of the elements of this theory, as well as the literature discussed in Chapters 3 and 4, contribute to the relationships indicators (Chapter 5), and how each of these relate to the research hypotheses derived.

Table 6-1: Explanation of how hypotheses were derived

High participation during change (Emergent participatory approach to change):	High Relationship indicators	Research Hypotheses: Overall hypothesis 6
Change is flexible and continuous (Burnes, 1996) Vision set by all involved (Burnes, 1996; Johnson & Scholes, 1999) Dialogue and two-way symmetrical approach (Beer & Nohria, 2000) Employee driven (Weick, 2000; Grunig et al., 2002; Dunphy, 2000) Open and transparent communication in all directions (Dunphy, 2000; Deetz, 1995) Socially constructed relationship culture (Hirschhorn, 2000) Compensation as lag system with emphasis on working environment benefits and peer evaluation (Ledford & Heneman, 2000) Conflict creation and conflict management (Holtzhausen & Voto, 2002) Learning environment (Senge et al., 1999; Burnes, 1996) Socially responsible (Senge, 2000)	Trust Control mutuality Commitment Satisfaction with the relationship **Greater change effects and goal attainment**	Research Hypothesis 1 Research Hypothesis 2 Research Hypothesis 3 Research Hypothesis 4 Research Hypothesis 5
Chapter 3 & 4	**Chapter 5**	**Chapter 6**

Research hypotheses 1 to 6 are all directional/causal because they predict the specific direction from the change communication strategy followed (emergent participatory approach) to relationship indicators (trust, control mutuality, commitment and mutual satisfaction) between an organisation and its employees.

Research hypothesis 7 is derived from the same theoretical base, but is non-directional because it aims to predict differences in the relationships between the two variables of change strategy and relationship indicator. Thus, the alternative hypothesis in this case states that there will be a significant difference between a planned, structured (modernistic) change approach followed and a postmodern participatory change approach followed, that is, in terms of the relationships employees will have towards their employers.

6.3.2.2 Summary of research hypotheses

There were two sets of hypotheses tested in this study. The first set related to the experimental validation and control measures (discussed in detail in the next section), and the second set related to the research questions and theory as described above. In order to ease discussion and understanding, the alternative hypotheses are stated. The null hypotheses in each of these cases imply no difference or relationship between the variables.

Table 6-2: Summary of research hypotheses

Research Hypotheses (H):		
H1	=	High participatory communication and change strategy will lead to significantly more *trust* between an organisation and its employees than with a lower degree of participation and a planned approach.
H2	=	High participatory communication and change strategy will lead to significantly more *control mutuality* between an organisation and its employees than with a lower degree of participation and a planned approach.
H3	=	High participatory communication and change strategy will lead to significantly higher *commitment* between an organisation and its employees than with a lower degree of participation and a planned approach.
H4	=	High participatory communication and change strategy will lead to significantly more *satisfaction* with the relationship between an organisation and its employees than with a lower degree of participation and a planned approach.
H5	=	High participatory communication and change strategy will lead to significantly more positive goal attainment and change behavioural *effects* between an organisation and its employees than with a lower degree of participation and a planned approach.
H6	=	High degree of participation during high change in organisations will lead to significantly more positive relationship between an organisation and its internal publics than with lower degrees of participation and a planned approach.
H7	=	There is a meaningful difference between Scenario A (planned approach) and Scenario B (participatory approach) in terms of the relationships with internal stakeholders.

6.4 Research design

A research design is a plan or framework for the procedures to be followed in the implementation of a research project (Malhotra, 1993). Typically, a research design would consist of the following components (Bless & Higson-Smith, 1995; Malhotra, 1993; Sarantakos, 1998):

- an exploratory and preparation phase

- the research design phase

- data collection phase

- data processing and analysis

- interpretation of results

- the conclusions and recommendations.

The preparation phase involves the selection and formulation of the research problem, which would include acquiring knowledge on recent theory through a literature review. This process assists in the identification of constructs and explores possible theoretical relationships between variables. In this study, the first five chapters serve this purpose. The next step usually involves the exploratory phase of establishing operational definitions and formulating the theory into hypotheses.

6.4.1 Exploratory phase

The research design of this study was executed in two broad phases, namely, the exploratory phase (literature and preparation) and the descriptive-empirical phase.

A literature study provided a background on all related theories and information that are relevant to the study in question. Aspects relating to change management, relationship management and other theories relevant to this study were investigated.

Apart from an extensive database search for relevant literature on change management and relationship management, the exploratory phase of the project involved testing of the constructs used in the questionnaire.

6.4.1.1 Qualitative testing and operationalisation of the independent variables

The independent variables, namely, the two change scenarios, were put together, firstly, by extracting the characteristics of the two change approaches from the theory. The planned approach to change consists of the following characteristics derived from the theory (previously discussed in Chapter 3):

- A focus on economic value and the change should focus on the shareholders, customers, products and services (Beer & Nohria, 2000; Jensen, 2000);

- Top-down approach, where leaders and management set the goals and objectives and drive the change strategy (Conger, 2000);

- Focus on structural and systems change that would yield much quicker financial results (Galbraith, 2000);

- Changes are clearly planned in an organised and sequential way (Beer & Nohria, 2000);

- Financial incentives are used to motivate people to change (Wruck, 2000);

- Large firms with the experienced knowledge and tested systems are usually appointed to lead large change (Neill & Mindrum, 2000).

The characteristics from theory for the emergent approaches are listed in Table 6.1.

In order to gain insight into how people understand the differences between these two approaches to change, two groups of delegates in change management training were asked how they would describe each approach. The first group consisted of 24 delegates and the second group consisted of 16 delegates. The delegates were from middle to upper management levels in their organisations.

They were from a wide variety of South African organisations. The delegates worked in different areas and fields, which ranged from engineers, sales and marketing managers, human resource managers, business analysts, technical managers, micro laboratory managers, and the like. The delegates were given a very brief description of the change strategy, and then split into three smaller discussion groups.

The planned approach was explained in the following way:

Change is structured and consists of specific goals and objectives. It is tightly controlled by management. Management sees its role within this approach as reducing conflict, creating order, controlling chaos and simplifying all complexities created by the environment. Possible outcomes are predicted and alternatives for action are planned. Structures determine the information needed, and perceptions are managed by feeding the right information or withholding information which might give rise to disorder and chaos.

The emergent participative change approach was described as:

Organisations are approached as living and holistic systems with a more organic and ecological approach. There is less structure and control, and more freedom for creativity. Strategies are flexible and adaptable to the environment. Scenario planning is used and participation of all stakeholders is encouraged. There are no control systems, and information is not channelled by or to anyone in particular.

Care was taken to have no values attached to any of the descriptions. The groups were then asked to have an open discussion about these two approaches and to compile a list of characteristics that would describe the culture and climate in the two change situations. The following lists are characteristics that were ascribed to each situation:

Table 6-3: Group 1, team 1 description of change approaches

High change and planned approach	High change and emergent approach
"Uncertainty, conflict, confusion, loss of staff, loss of key skills, resistance, gap between management and staff gets bigger, suspicion, mistrust, decline in profit, decline in productivity, internal competition, turbulent environment, gossiping and active grapevine."	"Open communication, transparency, access to information, trust, more meaning, creativity, more diversity, greater sense of ownership, feedback, consultation, increased productivity – profits, greater sense of belonging, more change."

Table 6-4: Group 1, team 2

High change and planned approach	High change and emergent approach
The team described the emergent approach, and said that the planned approach was just the opposite (had the opposite characteristics of those mentioned in the emergent approach)	"Enthusiasm, uncertainty, trust, openness, flexibility, sense of worth, diverse inclusiveness, stimulating, dynamic team, consensus, joint decision-making, ongoing dialoguing, creative, networking, benchmarking, relationship mapping."

Table 6-5: Group 1 team 3

High change and planned approach	High change and emergent approach
"Stressful, high energy, challenging, scary, uncertainty, non-directional, high productivity/low value, lots of activity/ not much value, organisation flexible, conflict, volatile, high emotions, workforce angry, exciting, stimulating."	"Everybody deciding – not just representatives, consulting, representation, same goals, same vision, high level of meaning, dialogue, profit share."

Table 6-6: Group 2 team 1

High change and planned approach	High change and emergent approach
"Structured, negative climate, fixed results orientated, more manageable, easy to monitor, lack of creativity, downward buy-in, one way communication."	"Participative, socialist, positive climate, maverick, time consuming, risk, empowering, openness, two way communication, upward buy-in."

Table 6-7: Group 2 team 2

High change and planned approach	High change and emergent approach
Structure	Flexible
Forced	Buy in
Non-participative	Participative
Top down approach	Bottom up approach
Change	Change and transformation
Predictable	Risky
Ceiling	Continuous
Defined objectives	Unlimited goals
Expected recognition	Outcomes based
High risk climate	360 degree entrepreneurial
Low risk culture	Low risk climate
Management	Leadership

From these characteristics derived from the many discussion groups, and the theoretical descriptions of the two different approaches, various elements were identified and the characteristics were grouped within these elements:

Table 6-8: Characteristics derived from discussion groups

Elements	Planned approach	Emergent approach
Change	Structured	Flexible and continuous
Managed by	Process with set goals	Outcomes based
Communication	Downward	All directions
Decision-making	Management	Employees
Change type	Change – structural	Transformation – culture
Environment	Predictable	Fast changing
Top management	Management orientated	Leadership orientated
Change managers	Change management team assigned by management	Employees assign change leaders
Monitoring	Tightly and easily monitored according to goals	Employees give feedback and share information
Problems managed	Controlled	Managed constructively
Conflicts	Avoided	Allowed and creativity
Time and money	No waste	Long-term view
Information	Management control – only relevant and essential information communicated	Complete openness and transparency of information
Driven by	Goals	Vision
Evaluation	Management measures against set goals and provides recognition	Peer evaluation provides award system for changes in behaviour

The characteristics were put together into two distinct scenarios to explain the two approaches, and care was again taken not to include or insinuate any values within the descriptions. In other words, the scenarios were not presented as negative or positive; rather they described each of the elements identified by the theory and discussion groups.

Table 6-9: Scenario A — Low participation, high constraints, planned approach

This organisation is going through a major change process. The change is structured, the process is planned in detail with specified objectives to be reached within a given time span, and a carefully planned budget. The decisions surrounding the changes are made by top management and communicated to all employees. The changes are mostly infrastructural/tangible changes. Top management are management-orientated, so a change management team is assigned by management to manage the process. The process is monitored throughout by management, measuring performance against strictly set goals. Problems associated with the changes are controlled immediately to avoid unnecessary conflicts and waste of money. Management gives recognition for the achievement of set goals. Management controls all information and only relevant and essential information is communicated.

Table 6-10: Scenario B — High participation, low constraints, emergent approach

This organisation is going through a major change process. The change is flexible and continuous the process is managed according to desired outcomes and a vision is set by all those involved in the process. The decisions surrounding the changes are made by relevant employees involved in the changes and communicated freely in all directions. The changes are mostly transformational involving cultural intangible changes. Top management are leadership-orientated so a change management team is assigned by employees to lead the process. The process is monitored through feedback and information-sharing with all parties involved. Conflicts associated with the changes are allowed and managed creatively. Peer evaluation provides the award system for changes in behaviour. The process is characterised by complete openness and transparency.

Each of the scenarios was then put into a questionnaire and was tested for manipulation success within the given elements identified above (Refer also to Appendices A & B). There were 15 elements as specified in the Table 6.8 (above), and each element was measured on a scale from 1 to 7, where one end of the scale reflected a characteristic of the planned approach under that element, and the other end represented a characteristic of the emergent approach under the same element. The response category was thus set as a continuum, with two opposite

adjectives at each end and the range of numbers in between, one of which had to be crossed or circled by the respondent. For example, the scale under the element of *Communication* would range from a '1' for 'downward' (reflecting downward communication as described in the planned approach to change), to a '7' for 'all directions' (in the emergent approach to change).

This pre-test of the scenarios was given to 14 delegates of another change management training group. The delegates read the scenario, then rated the organisation in that scenario according to the elements, then read the second scenario and repeated the process.

The detailed results of this test can be seen in Chapter 7. The results showed a meaningful difference between the ways that the respondents understood and perceived the two scenarios in relation to the elements.

After the two scenarios were tested, the list of characteristics was given to the next group of delegates in a change management training course who listed the elements in order of importance. Based on this feedback and a general discussion of the elements in terms of comprehension and clarity, as well as the standard deviations of each characteristic in the pre-test, a list of 7 characteristics were subsequently extracted and used in the final questionnaire as manipulation check for the scenarios.

One final aspect that had to be covered by all of the discussion groups was the identification of any variables which they thought could have an influence on the way people would perceive change management strategies. The groups identified 3 issues which could be considered important variables:

- The types and sizes of organisations: it would be more difficult to use participative approaches in large, bureaucratic organisations.

- The educational levels of the people involved in the change management processes: this could influence how people approached change. It was thought that people with lower educational levels need more guidance and leadership, and that they might not be capable of high level decision-making during change processes.

- The level within which people functioned: this could influence whether they would prefer a top-down or a bottom-up approach to change management.

6.4.2 Descriptive empirical phase

The phase following the exploratory step in the research design (Bless & Higson-Smith, 1995; Malhotra, 1993; Sarantakos, 1998) is the research method design phase where the selection of the research methodology takes place. More specifically, this includes the choice of research design, creation of the questionnaire, selection of the sampling procedure, method of data collection, and the method of data analysis.

As most of the hypotheses in this study aimed to infer a specific cause-and-effect relationship, and thus turned out to be directional, an experimental design was therefore appropriate, as observed by Malhotra (1993)

Experimentation is commonly used to infer causal relationships (p. 219)

6.4.3 Experimental design

Stacks (2002) states that the only way to determine actual cause-and-effect relationships is through true experimentation. Experiments involve some degree of manipulation of a particular variable and an assessment of the effect that this manipulation had (Sarantakos, 1998). The manipulation takes place in a very systematic and structured fashion. The aim is to show a causal relationship between the variable that has been manipulated and the variable that is affected. The 'logic' here, as Sarantakos (1998) observes, is

that if a certain type of behaviour changes after the introduction of a variable, the change has been caused by this variable (p. 171).

There are three conditions for causality (Malhotra, 1993; Stacks, 2002):

- concomitant variation (the way in which a cause and an effect occur together in the way predicted by the hypothesis);

- time order of occurrence (the cause must occur before or at the same time as the effect, not afterwards);

- any other possible causes should be eliminated.

Experiments can appear in three different forms (Sarantakos, 1998):

- laboratory experiments that are usually performed in a closed environment where all external factors are controlled;

- field experiments that are performed in natural environments;

- and demonstration experiments. Demonstration experiments are experiments performed with one experimental group only. They are not true experiments because they do not have a control group and subjects are not selected randomly. There is no timing issues involved in the experimental treatment and they can continue for as long as the subjects are available.

In this study, the experiment was conducted in the organisations where the subjects worked, and they were asked to fill in a questionnaire that contained the independent variables in the form of scenarios. There was no control group; however, statistical control and analysis of external variables were used.

There are several types of experimental designs to establish the relationships between variables. The differences between them lie in the use of pre-tests, the number of experimental and control groups employed, and in the way the independent variable is introduced to a group or groups (Sarantakos, 1998). True experimental designs – the pre-test–post-test control group design, the post-test-only control group design, and the Solomon four-group design (which usually has a single independent variable). But often, as in this case, the researcher has the need to study multiple independent variables at once. These types of designs are called factorial experimental designs (Baxter & Babbie, 2004).

Factorial experiments are usually a variation of one of the true experimental designs (Baxter & Babbie, 2004). Factorial experiments are a variation of the pre-test–post-test control group design but with multiple independent variables instead of one. It is possible to have even more advanced and complex designs; for instance, to combine a repeated measures design with the factorial design (Keppel, 1991). Repeated measure factorial designs are sometimes called a within-subject

design because a given participant is measured twice or more times (Baxter & Babbie, 2004). Any variation in the experimental results is thus based on the same group's different responses to different observations.

Malhotra (1993) explains that randomised block design is useful when there is only one major extraneous variable that could have an effect on the dependent variable. The test units are grouped on the basis of this extraneous blocked variable, which the researcher identifies and measures. When there is more than one variable to be controlled, the researcher must use Latin square, factorial designs, or factorial design with repeated measures. The principles of advanced complex experiments allow for much more room for creativity (creating experimental designs to fit each unique situation) and scientific reasoning (Keppel, 1991).

The decision made for this study was a mixed, two-factor experiment with repeated measure variables. The use of projective experimental scenarios is a common way for researchers to manipulate the operationalisation of independent variables. A group of randomly assigned subjects (R) were given a scenario where the change management strategy was planned (X1) – independent variable A. At the same time, the same group of subjects (R) was given a second scenario where the organisation had followed a participatory approach to change (X2) – independent variable B. The relationship outcomes that this group feels that they have towards the organisation described in scenario 1 (X1) was then measured (O1, where O is the measurement of the dependent variable). The relationship outcomes that the subjects feel towards the organisation in the second scenario (X2) were also measured (O2). This resulted in an experimental design where factor A is the independent randomised block variables on the change strategy, which were operationalised by 2 levels depicting a ***low participation, high constraints, planned approach*** (**Scenario A**) and a ***high participation, low constraints, emergent approach*** (**Scenario B**). The two scenarios of change were treated as a fixed variable in the organisations selected so as to ensure that the independent variable did not rely merely on a single stimulus, thus minimising experimental error (McGuigan, 1990, p. 232). A variable is fixed when the selection of the factor levels is arbitrary or systematic, and it can only be generalised to the contextualised scope of the specific factor level (Keppel, 1991).

Furthermore factorial experiments allow for multiple independent variables to function in combination and this is known as the interaction effect (Baxter & Babbie, 2004). The research area of this study has many dimensions, which expands the independent variables and the repeat measures of different scenarios also contribute to interactive effects. Respondents are inclined to think of more aspect than what they would have done had they only read a single scenario. Table 6.11 explains the model of this experimental design.

Table 6-11: A model for the experimental design of randomised block design with repeated measures

			DEPENDENT VARIABLES – FACTORS TO BE MANIPULATED				
			Relationship characteristics				Behavioural effects
			Trust	Control Mutuality	Commitment	Satisfaction	
INDEPENDENT VARIABLES – FIXED	Change strategy followed	**Low participation & high constraints** – *Scenario A: Planned Approach*	–	–	–	–	–
		High participation & low constraints – *Scenario B: Emergent Approach*	+	+	+	+	+

6.4.4 Limitations of experimental design

As mentioned above, in order to infer causal relationships between independent and dependent variables, the researcher should ensure that no other factors could influence this causality. If it is not possible for the experimenter to control for extraneous variables, these factors should be tested for in order to assess their possible influence on the experimental process (Sarantakos, 1998).

Because this study was conducted in the field, it was very difficult to control for all possible external variables. Statistical design allows for statistical control and analysis of variables that could not be checked in the field (Malhotra, 1993). Statistical design furthermore allows for causal testing of more than one independent variable, and possible extraneous variables can be statistically

controlled. In this case, the statistical design tested for possible influences of variables such as type and size of the organisation, level in the organisation, educational level, and the real change situation in the employer of the respondent.

Although repeated measures (or within-subject design) require fewer participants than with factorial designs between different participants, they also hold many limitations and become very complicated to execute. Participants can become bored, the order in which they read the scenarios could affect their responses, and respondents have to be assigned randomly to the scenarios. There are also several limitations, or threats to internal validity, with experimental testing (Baxter & Babbie, 2004).

Because it is important to control for extraneous factors, a researcher limits the findings of experiments. Strictly controlled experiments do not allow for generalisation to other situations or to the broader population (Stacks, 2002). Nevertheless, the most important reason for using experiments is to test, create, or extend theoretical assumptions and relationships.

Before discussing the ways in which this study was designed to control for experimental rigour, it is necessary to discuss the design of the final questionnaire.

6. 5 Questionnaire design

As discussed previously, the first part of the questionnaire consisted of the scenarios. Both scenarios were given to the respondents in order to prevent bias towards any specific scenario. The order of the scenarios was changed in half of the questionnaires, and these were given randomly to the respondents. They were coded to ensure that the researcher could distinguish between them to test this order difference as an extraneous variable.

The respondents were then given the first scenario of their specific questionnaire and were requested to answer a list of statements in terms of their relationship with the organisation portrayed in the scenario. The operationalisation of the relationship measure (dependent variable) will now be discussed.

6.5.1 Operationalisation of the measurement construct and dependent variable

In 1999, The Institute for Public Relations formed a special United States Commission on public relations measurement and evaluation, and put together a booklet for the measurement of relationships in public relations under the authorship of Linda Hon and James Grunig (Hon & Grunig, 1999). In the model of relationships by Grunig & Huang (2000), relationship outcomes pertain to the measurement of the long-term value of public relations to the organisation as a whole. Apparently, the best way to measure the longer term relationships with key stakeholders is to measure the outcomes of good organisation-public relationships, namely, trust, control mutuality, commitment, and mutual satisfaction. As explored in Chapter 5, numerous studies have shown high inter-correlations among these four dimensions of relationships (Grunig & Huang, 2000, p. 47; Ledingham, 2000, p. xiii) and the measuring instrument has been tested numerously for reliability and validity (Hon & Grunig, 1999; Huang, 1997; Huang, 2001).

This relationship scale distributed by the Institute of Public Relations (Hon & Grunig, 1999) consists of 21 items measuring **trust** (six items), **control mutuality** (five items), **commitment** (five items), and **satisfaction** (five items). The elements under each of these are:

Control mutuality (**items 7–11**):

- This organisation and people like me are attentive to what each other say
- This organisation believes the opinions of people like me are legitimate
- In dealing with people like me, this organisation has a tendency to throw its weight around (Reversed)
- This organisation really listens to what people like me have to say
- The management of this organisation gives people like me enough say in the decision-making process

Trust (**items 1–6**):

- This organisation treats people like me fairly and justly (Integrity)

- Whenever this organisation makes an important decision, I know it will be concerned about people like me (Integrity)
- This organisation can be relied on to keep its promises (Dependability)
- I believe that this organisation takes the opinions of people like me into account when making decisions (Dependability)
- I feel very confident about this organisations' skills (Competence)
- This organisation has the ability to accomplish what it says it will do (Competence)

Commitment (**items 12–16**):

- I feel that this organisation is trying to maintain a long-term commitment to people like me
- I can see that this organisation wants to maintain a relationship with people like me
- There is a long lasting bond between this organisation and people like me
- Compared to other organisations, I value my relationship with this organisation more
- I would rather work together with this organisation than not

Mutual satisfaction (**items 17–21**):

- I am happy with this organisation
- Both the organisation and people like me benefit from the relationship
- Most people like me are happy in their interactions with this organisation
- Generally speaking, I am pleased with the relationship this organisation has established with people like me
- Most people enjoy dealing with this organisation

For this study, it was important to measure the quality of organisation-stakeholder relationships, but not specifically the kinds of relationships that change programs attempt to achieve. For this reason, the items for measuring whether relationships are exchange or communal relationships in the Institute for Public Relations Commission questionnaire (Hon & Grunig, 1999) were not used in this study.

The maintenance strategies suggested by the relationship model (Grunig & Huang, 2000) include many of the characteristics that form part of the scenarios created for this study, such as participation in decision-making, openness, and conflict management. Relationship maintenance strategies are important in terms of the strategies followed in change management and the outcomes pertaining to the effects of the strategies. However, the most meaningful way to measure relationships is by measuring their outcomes.

6.5.2 Overall questionnaire design

Every questionnaire was accompanied by an introductory letter which thanked the respondents for their participation in the study. The purpose of the study was explained in this letter, as well as a short description of the possible benefits of the research. The questionnaire was printed in A5 size in booklet format to easy distribution and use.

Both scenarios were placed in the beginning of the questionnaire to ensure that the respondents were exposed to the experimental stimuli before the dependent measure of relationships were performed. The respondents were requested to consider the scenarios carefully, and then to answer the questions by circling the appropriate number that best described the reaction to the various statements of the relationship scale.

Each of the 21 items on the relationship scale was set out to be measured as a seven-point Likert scale as this was useful to measure attitudes (Sarantakos, 1998). The response categories ranged between the extreme positions on a verbal-numerical scale. The respondents were asked to answer each statement according to how much they agree to each item describing their relationship with the organisation portrayed in the accompanying scenario, where 1 = 'Don't agree at all with this statement' and 7 = 'Totally agree with this statement'.

As behaviour change was the ultimate desired outcome, and formed the last part of the model based on Grunig's situational theory (1997), the researcher set out to measure the respondents' willingness to change their behaviour within each of the different scenarios. The theory behind this is that when there is a problem, information seeking behaviour will follow. If there is open communication with free

flow of information and participation in the information-seeking process, the relationship will be positive, and change behaviour will follow. The alternative resistance to behaviour change will be the effect of controlled information, many barriers to information retrieval, one-way communication with little feedback opportunities, and unhealthy relationships.

Therefore, the next part of the questionnaire requested the respondents to indicate on another continuum scale how they would describe their behaviour in each scenario. This continuum had two opposite responses at each end and a range of numbers in between them. The willingness to change behaviour was based on the one hand on whether the respondents were willing to change their behaviours because the organisation forced them to change or, on the other hand, whether the respondents would change out of their own choice. The items set out to test willingness to change, time frame of change, degree of change and, finally, the action to change.

I am willing to change my behaviour according to:								
the requirements of the organisation in this scenario	1	2	3	4	5	6	7	what I think the situation requires of me
I will change my behaviour:								
within the time frame set by the organisation	1	2	3	4	5	6	7	as fast as I think the situation requires of me
I will change as far as:								
this organisation wants me to change	1	2	3	4	5	6	7	I think the situation requires of me
I am willing to do:								
what the organisation wants me to do	1	2	3	4	5	6	7	what I believe the situation requires of me

The last part of each scenario measurement consisted of seven manipulation-check items, which were used after each scenario's relationship measure to ascertain the effectiveness of the explanations of each scenario. These were based on the seven questions extracted after the pre-test was done.

As the scenarios were fictitious, two questions were asked in connection with the real organisation each respondent was working for, or having a continuous relationship with, in terms of the change strategy followed in that organisation. This was followed by some classification questions to determine educational level, years employed in the organisation, ranking in the organisation and designation in

order to establish whether these variables may have an influence upon the dependent variables, as predicted by some theoretical considerations discussed in Chapter 3, as well as the responses from the pre-test focus groups. These were also used as a control for possible extraneous variables.

A final test of the completed questionnaire was conducted to check for legibility, comprehension, editing, general appearance, and to make sure that the questions would be applicable to South African organisations and contexts. The questionnaire was given to ten colleagues and friends to complete, and the acceptable length and intelligibility were subsequently ascertained.

6.6 Sampling method, sample size and data collection

Nine organisations were selected from different industries and sectors. Each organisation was selected on a convenience basis where the researcher had a contact and was allowed entry to an organisation. The experimental subjects were randomly selected and consisted of 10 to 37 employees from each organisation. The questionnaires were distributed to employees as chosen stakeholder because the relationship indicators for employees reflect that productivity is clearly influenced by trust and relationships with employers (Hon & Grunig, 1999). Employees who are empowered and who are directly involved in the decision-making processes are more likely to be happier in their work environment. They are thus also more effective communicators when dealing with external stakeholders (Grunig et al., 2002), and are more likely to change their behaviour.

Other external stakeholders were also considered as potential subjects, and questionnaires were distributed to over 200 respondents who represented service providers, clients, suppliers, and the like, of the selected organisations. However, only 38 questionnaires were returned and were not considered enough for thorough statistical analysis and inferences. Such a group of stakeholders, who would have to represent a diverse population of external relations, requires a much larger sample even though modern experimental design does not require total representation. External validity is often a trade-off for internal validity (Malhotra, 1993), and group representation is more important than population representation (Keppel, 1991). Another limiting factor in the decision to focus on internal

stakeholders was the problem of time, and the difficulty in collecting questionnaires from widely spread external research units. The data had to be collected within the planned time frame and not enough questionnaires were returned from external stakeholders of the chosen organisations by the time the results had to be analysed. It proved to be very difficulty to have control over the distribution and collection of these questionnaires. For the purposes of this study, particularly in finding some initial exploratory data to test the hypotheses, the final decision was to work with internal employee stakeholders only. Further studies would be useful to extend this research to external stakeholders.

Each employee evaluated the two different scenarios, which resulted in 186 responses, more or less, in total (some questionnaires were not fully completed; refer to Table 6.12). A total number of 372 individual evaluations were made because each respondent repeated the measure.

The questionnaires were distributed evenly from upper management to non-managerial levels in each organisation. The scenarios were about changes in general and included various issues.

Table 6-12: Data collection strategy

Type of Organisation	Number of respondents	Evaluations
Org 1 = Private sector - large bank	20	40
Org 2 = Large private industry	37	74
Org 3 = IT company	35	70
Org 4 = Professional body	1	2
Org 5 = Large bank - governmental	21	42
Org 6 = Large private industry	10	20
Org 7 = Large corporate (partially privatised; semi-parastatal)	19	38
Org 8 = Higher education	32	64
Org 9 = Higher education	11	22
TOTAL	186	372

Data were collected from 2 the two alternated questionnaires. This was to ensure that the order of the scenarios did not affect the responses. The respondents were not aware of the order differences in the way that the questionnaires were

distributed. After all the data were collected and the 186 questionnaires were returned, the data was processed to prepare for analysis.

6.7 Data processing

If thorough care is taken with the data preparation stage, it can improve the quality of the data analysis and statistical results. Raw data have to be converted into a suitable format in order to be analysed (Malhotra, 1993). The process of data preparation involves questionnaire checking, editing, coding, transcribing, data cleaning, statistical adjusting of the data, and lastly, the selection of data analysis strategy.

6.7.1 Data editing and cleaning

The first step of data preparation is the checking of the questionnaires. These questionnaires were checked for completeness and quality. Parts of the questionnaires received were incomplete, but it was decided that whatever data that were entered would be used if full questions were responded to. For example, if the first part of the questionnaire referring to the first scenario was completed, but the respondent have, for whatever reason, neglected to answer the second part relating to scenario B, then the completed responses were still used. The questionnaires were also checked for possible inclusion of respondents who might not qualify for participation or responses that showed little variance, which could suggest that respondents did not understand the questionnaires. Care was also taken to ensure that, more or less, even numbers of each order scenario was achieved; that is, that there was more or less the same amount of questionnaires where scenario A was answered first as there were questionnaires where scenario B was first. An equal distribution across the levels in the organisation was also checked for.

6.7.2 Coding and data transformations

Coding is when numbers are assigned to statements, responses or answers. Coding is also done for column positions and data records. It is easier to process, analyse, and store numbers rather than words, and it minimises errors. In this case the questionnaire was pre-coded because it contained no unstructured questions.

Missing values on completed questionnaires were substituted by a neutral value so that the mean of the variable remained unchanged. Any other statistics on the data would thus not be affected much. Codes or values were transferred to an electronic database and this process was carefully monitored. Coder reliability was checked by maintaining a stable pattern with little variability, and randomly verified by a second operator.

Where necessary, variable respecification was performed. The one negatively worded item in the relationship measure was reversed scored. Some variables had too many categories and were not consistent with the objectives of the study, so these were collapsed into lesser categories, which simplified the analysis. These are described in the next chapter.

6.7.3 Validity and test hypotheses

As discussed previously, external and, more importantly, internal validity, are relevant issues to consider in experimental design. External validity addresses the question of whether the causal relationship between the independent and dependent variables can be generalised across persons, settings, and times (Cooper & Schindler, 2001; Baxter & Babbie, 2004; Malhotra, 1993). Factors that influence external validity are thus:

- Reactive effect – subjects might respond differently because they have been exposed to the pre-test.

- Interaction of the selection and X – this relates to the way subjects were selected because the group that participated might not represent the general population. This implies that researchers cannot generalise the results to the actual population they intended to.

- Other reactive factors such as the artificiality of the setting might influence the authenticity of responses.

Generally, external validity is much harder to control for than internal validity, so the rule of thumb is always to favour internal validity. As Cooper & Schindler (2001) point out,

> *Try to secure as much external validity as is compatible with the internal validity requirements by making experimental conditions as similar as possible to conditions under which the results will apply (Cooper & Schindler, 2001, p. 403).*

In this study, the two scenarios were given to the respondents. Then the respondents were asked questions about the scenarios consecutively. This could influence the way they perceive the scenarios. In other words, one scenario might be perceived as being more positive than the other, which may influence their responses. Also the use of scenarios is extremely artificial, which means that the external validity could be affected. The respondents were, however, asked to complete the questionnaires within their working environment and within their own time.

Threats to internal validity refer to whether the independent variables tested for could have been the only variables responsible for changes in the dependent variable. Types of threats include:

- **History:** During the time of an experiment, an event may influence the responses. In this case, the repeated measures test eliminates this threat since only a short time has passed between the first and the second scenarios.

- **Maturation:** Changes over time may influence results between a pre-test and a post-test. Again, in this case the repeated measures test excluded this threat.

- **Testing:** The learning effect between the first and second response could influence the results. In this study, this could have had an effect because the reading of both scenarios before answering questions about one of them could influence the perception of the next, and thus influenced the responses to the second scenario. Although, again, it is a very short time and one was answered directly after the other.

- **Instrumentation:** Because this experimental design had no observers or experimenters, and the questionnaires were answered within the natural

working environment of the respondents, instrumentation was a minimum threat in this study.

- **Selection:** When control and experimental groups are compared they have to be as close as possible in all aspects to curb the threat of selection bias. The repeated measures test used in this study, in effect, equalised the groups.

- **Statistical regression:** This happens when a pre-test causes the scores to regress towards the mean in the post-test. Again, the repeated measures used prohibited this from happening.

- **Experiment mortality:** Since participants could leave the experiment at any time for various reasons, this could affect the pre-test–post-test comparison. Very few questionnaires in this study had only the first part completed and the second part incomplete, thus this was not a big threat in this study. The threat was also diminished by the repeated measure in one questionnaire and there was no time lag between the responses to the two scenarios.

Most of the above threats could be dealt with in this study by the repeated measures questionnaire and the random assignment of respondents. Internal validity can be increased if all extraneous variables can be controlled, or statistically tested for. In this study, the possible extraneous variables, identified by the pre-test focus groups, were issues such as type and size of organisation, the educational levels of the respondents, and the levels on which the respondents functioned within their organisations. The pre-test focus groups also mentioned that the actual organisation for which the respondents worked could influence how they perceive change management styles, as well as whether the respondent's organisation was actually going through a change at the time of the response.

These concerns all led to the setting of test hypotheses that served as experimental validation and control measures. The first test hypothesis was used to test for a difference in how the participants perceived the two scenarios. A meaningful difference between the experimental controls would improve the validity of the research instrument and show manipulation success.

Test hypotheses 2 to 6 all tested for extraneous variables identified by the theory and qualitative focus groups in the preparation phase of the research. Table 6.13 is a summary of the test hypotheses:

Table 6-13: Summary of test hypotheses

Hypotheses regarding experimental validation and control measures:		
Test Hypotheses (TH)		
TH1	=	There is a meaningful difference between the experimental controls of Scenario A (planned approach) and Scenario B (participatory approach) as perceived by the respondents.
TH2	=	There is a meaningful difference between the different organisations in terms of the respondents' responses to the two different scenarios.
TH3	=	There is a meaningful difference between the different educational levels of respondents in terms of their responses to the two different scenarios.
TH4	=	There is a meaningful difference between the different functional levels within organisation in terms of the respondents' responses to the two different scenarios.
TH5	=	There is a meaningful difference between the real change management styles followed in the respondents' organisations in terms of the experimental test of the relationships with the two scenarios.
TH6	=	There is a meaningful difference between the change or not in the respondents' organisations in terms of the experimental tests of relationships with the two scenarios.

6.8 Hypotheses operationalisation

In this section, each hypothesis will be explained as it is operationalised. First, each hypothesis will be stated, all relevant information regarding the hypothesis is then outlined in a table in order to clarify the procedures used, and lastly, the statistical notation of each hypothesis is given.

Each table consists of the number of variables concerned, a description of the variable, the data types, the concept measured, the method used to measure this concept, and lastly, the statistical technique used. A more detailed discussion of the statistical techniques used in each case can be found in Section 6.9.

6.8.1 Operationalisation of Test Hypothesis 1

Test Hypothesis 1 = There is a meaningful difference between the experimental controls of Scenario A (planned approach) and Scenario B (participatory approach) as perceived by the respondents.

Table 6-14: Test Hypothesis 1—Operationalisation

Number of variables	2 (independent)	7 (dependent)
Variables	Scenario A & Scenario B	Control measures of the experimental design: Question 26—32 of each of the scenarios
Data type	Non-metric—Nominal	Metric—Interval
Measurement	Meaningful difference between the experimental controls of Scenario A (planned approach) and Scenario B (participatory approach) as perceived by the respondents.	
Method of measurement	7 questions were asked to test the experimental validity of the experimental stimuli; that is, the two scenarios. These 7 questions related to change, communication, decision-making, change managers, conflicts, information flow, and evaluation. The two scenarios were done separately.	
Technique used	MANOVA	

Test Hypothesis 1 stated in Statistical Notation:

$$
\text{TH1} \quad
\begin{bmatrix}
\mu_{c1s1} \\
\mu_{c2s1} \\
\mu_{c3s1} \\
\mu_{c4s1} \\
\mu_{c5s1} \\
\mu_{c6s1} \\
\mu_{c7s1}
\end{bmatrix}
\ne
\begin{bmatrix}
\mu_{c1s2} \\
\mu_{c2s2} \\
\mu_{c3s2} \\
\mu_{c4s2} \\
\mu_{c5s2} \\
\mu_{c6s2} \\
\mu_{c7s2}
\end{bmatrix}
$$

Notation used:

μ = Mean of variable (sample mean)

c = Control measures (ranging from 1 – 7)

s = Scenarios (ranging from 1 – 2)

6.8.2 Operationalisation of Test Hypothesis 2

Test Hypothesis 2 = There is a meaningful difference between the different organisations in terms of the respondents' responses to the two different scenarios.

Table 6-15: Test Hypothesis 2—Operationalisation

Number of variables	8 (independent)	2 (dependent)
Variables	Organisations 1 to 8	Average of relational index for Scenario A & Average of relational index for Scenario B
Data type	Non-metric—Nominal	Metric—Interval
Measurement	Meaningful difference between the different organisations in terms of respondents' responses to the two different scenarios.	
Method of measurement	Different organisations were used in the experimental design, and the average of the relational index was determined by adding the scores of the different relational dimensions.	
Technique used	MANOVA—Wilks' Lambda	

Test Hypothesis 2 stated in Statistical Notation:

$$TH2 \quad \begin{array}{c} \mu_{r1O1} \\ \mu_{r2O1} \end{array} \ne \begin{array}{c} \mu_{r1O2} \\ \mu_{r2O2} \end{array} \ne \begin{array}{c} \mu_{r1O3} \\ \mu_{r2O3} \end{array} \ne \begin{array}{c} \mu_{r1O4} \\ \mu_{r2O4} \end{array} \ne \begin{array}{c} \mu_{r1O5} \\ \mu_{r2O5} \end{array} \ne \begin{array}{c} \mu_{r1O6} \\ \mu_{r2O6} \end{array} \ne \begin{array}{c} \mu_{r1O7} \\ \mu_{r2O7} \end{array} \ne \begin{array}{c} \mu_{r1O8} \\ \mu_{r2O8} \end{array}$$
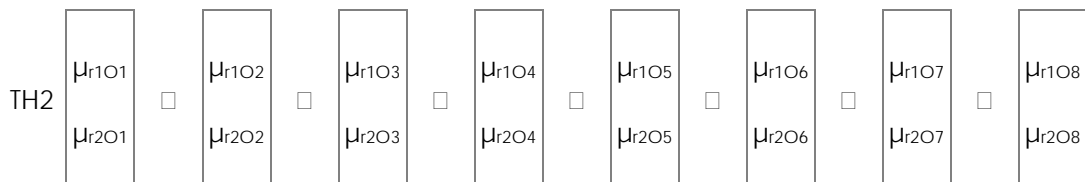
Notation used:

μ = Mean of variable (sample mean)

r = Average of relational index (ranging from 1 – 2)

O = Organisations (1 – 8)

6.8.3 Operationalisation of Test Hypothesis 3

Test Hypothesis 3 = There is a meaningful difference between the different educational levels of respondents in terms of their responses to the two different scenarios.

Table 6-16: Test Hypothesis 3—Operationalisation

Number of variables	2 (independent)	2 (dependent)
Variables	2 educational levels	Average of relational index for Scenario A & Average of relational index for Scenario B
Data type	Non-metric—Nominal	Metric—Interval
Measurement	Meaningful difference between the different educational levels in terms of the respondents' responses to the two different scenarios.	
Method of measurement	Different educational levels were included in the experimental design and the average of the relational index was determined by adding the scores of the different relational dimensions.	
Technique used	MANOVA—Wilks' Lambda	

Test Hypothesis 3 stated in Statistical Notation:

$$\text{TH3} \quad \begin{bmatrix} \mu_{r1e1} \\ \mu_{r2e1} \end{bmatrix} \neq \begin{bmatrix} \mu_{r1e2} \\ \mu_{r2e2} \end{bmatrix}$$

Notation used:

μ = Mean of variable (sample mean)

r = Average of relational index (ranging from 1 – 2)

e = Educational levels (1 – 4)

6.8.4 Operationalisation of Test Hypothesis 4

Test Hypothesis 4 = There is a meaningful difference between the different functional levels within the organisation in terms of the respondents' responses to the two different scenarios.

Table 6-17: Test Hypothesis 4—Operationalisation

Number of variables	6 (independent)	2 (dependent)
Variables	5 levels in the organisation and a category of non-responses	Average of relational index for Scenario A & Average of relational index for Scenario B
Data type	Non-metric—Nominal	Metric—Interval
Measurement	Meaningful difference between the different functional levels within the organisation in terms of the respondents' responses to the two different scenarios.	
Method of measurement	Different functional levels were included in the experimental design, and the average of the relational index was determined by adding the scores of the different relational dimensions.	
Technique used	MANOVA—Wilks' Lambda	

Test Hypothesis 4 stated in Statistical Notation:

TH4 $\begin{array}{c} \mu_{r1L1} \\ \mu_{r2L1} \end{array}$ ☐ $\begin{array}{c} \mu_{r1L2} \\ \mu_{r2L2} \end{array}$ ☐ $\begin{array}{c} \mu_{r1L3} \\ \mu_{r2L3} \end{array}$ ☐ $\begin{array}{c} \mu_{r1L4} \\ \mu_{r2L4} \end{array}$ ☐ $\begin{array}{c} \mu_{r1L5} \\ \mu_{r2L5} \end{array}$ ☐ $\begin{array}{c} \mu_{r1L6} \\ \mu_{r2L6} \end{array}$
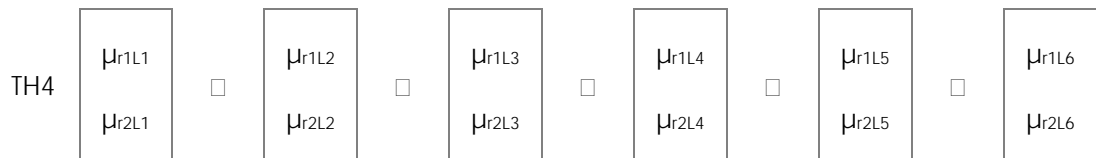
Notation used:

μ= Mean of variable (sample mean)

r = Average of relational index (ranging from 1 – 2)

L = Levels in the organisation (1 - 6)

6.8.5 Operationalisation of Test Hypothesis 5

Test Hypothesis 5 = There is a meaningful difference between the real change management styles followed in the respondents' organisations in terms of the experimental test of the relationships with the two scenarios.

Table 6-18: Test Hypothesis 5—Operationalisation

Number of variables	3 (independent)	2 (dependent)
Variables	2 scenarios of styles that can be followed in the respondents' organisations and a category of non-responses	Average of relational index for Scenario A & Average of relational index for Scenario B
Data type	Non-metric—Nominal	Metric—Interval
Measurement	Meaningful difference between the real change management styles followed in the respondents' organisations in terms of the experimental test of the relationships with the two scenarios.	
Method of measurement	Options for the change management styles followed in the respondents' organisations were included in the experimental design, and the average of the relational index was determined by adding the scores of the different relational dimensions.	
Technique used	MANOVA—Wilks' Lambda	

Test Hypothesis 5 stated in Statistical Notation:

$$\text{TH5} \quad \begin{array}{|c|} \hline \mu_{r1s1} \\ \\ \mu_{r2s1} \\ \hline \end{array} \quad \square \quad \begin{array}{|c|} \hline \mu_{r1s} \\ \\ \mu_{r2s2} \\ \hline \end{array} \quad \square \quad \begin{array}{|c|} \hline \mu_{r1s3} \\ \\ \mu_{r2s3} \\ \hline \end{array}$$

Notation used:

μ = Mean of variable (sample mean)

r = Average of relational index (ranging from 1 – 2)

s = Respondent's organisational style (1 – 3)

6.8.6 Operationalisation of Test Hypothesis 6

Test Hypothesis 6 = There is a meaningful difference between the change in the respondents' organisations in terms of the experimental test of relationships with the two scenarios.

Table 6-19: Test Hypothesis 6—Operationalisation

Number of variables	3 (independent)	2 (dependent)
Variables	The fact, if major changes occurred, in the respondents' organisations and a category of non-responses	Average of relational index for Scenario A & Average of relational index for Scenario B
Data type	Non-metric—Nominal	Metric—Interval
Measurement	Meaningful difference between the change or not in the respondents' organisations in terms of the experimental test of relationships with the two scenarios.	
Method of measurement	The possibilities of major changes occurring in the respondents' organisations were included in the experimental design, and the average of the relational index was determined by adding the scores of the different relational dimensions	
Technique used	MANOVA—Wilks' Lambda	

Test Hypothesis 6 stated in Statistical Notation:

TH6 $\quad \begin{array}{|c|} \hline \mu_{r1c1} \\ \\ \mu_{r2c1} \\ \hline \end{array} \quad \square \quad \begin{array}{|c|} \hline \mu_{r1c2} \\ \\ \mu_{r2c2} \\ \hline \end{array} \quad \square \quad \begin{array}{|c|} \hline \mu_{r1c3} \\ \\ \mu_{r2c3} \\ \hline \end{array}$

Notation used:

μ = Mean of variable (sample mean)

r = Average of relational index (ranging from 1 – 2)

c = Change in Respondent's organisation (1 – 3)

6.8.7 Operationalisation of Research Hypothesis 1 to 5

Research Hypothesis 1 to 5 = High participatory communication and change strategy will lead to significantly more trust/control mutuality/commitment/satisfaction/behavioural effects between an organisation and its employees than with a lower degree of participation and a planned approach.

Table 6-20: Research Hypothesis 1 to 5—Operationalisation

Number of variables	2 (independent)	1 (dependent)
Variables (the dependent variables are tested separately in each of the research hypotheses 1 to 5)	2 Scenarios of change strategy	1. Trust - 6 items of the relational index 2. Control mutuality – 5 items 3. Commitment – 5 items 4. Satisfaction – 5 items 5. Behavioural effects – 4 items
Data type	Non-metric—Nominal	Metric—Interval
Measurement	Causal relationship between scenario followed and each relationship factor that employees had with the organisation	
Method of measurement	The stimulus was the change management strategies depicted in the scenarios and the resulting relationship was measured by the items used to measure each separate relationship factor in the measuring instrument	
Technique used	ANOVA	

Research Hypothesis 1 to 5 stated in Statistical Notation:

H1	μ_{Rt1s1}	☐	μ_{Rt1s2}
H2	μ_{Rm1s1}	☐	μ_{Rm1s2}
H3	μ_{Rc1s1}	☐	μ_{Rc1s2}
H4	μ_{Rs1s1}	☐	μ_{Rs1s2}
H5	μ_{Bs1s1}	☐	μ_{Bs1s2}

Notation used:

μ = Mean of variable (sample mean)

R = Relationship or behaviour factor (Rt = trust, Rm = control mutuality, Rc = commitment, Rs = satisfaction, B = behavioural effect)

s = Scenario of change strategy (ranging from 1 – 2)

6.8.8 Operationalisation of Research Hypothesis 6

Research Hypothesis 6 = High degree of participation during high change in organisations will lead to significantly more positive relationship between an organisation and its internal publics than with lower degrees of participation and a planned approach.

Table 6-21: Research Hypothesis 6—Operationalisation

Number of variables	2 (independent)	4 (dependent)
Variables	2 Scenarios of change strategy	Trust, control mutuality, commitment, satisfaction—all items of the relational index
Data type	Non-metric—Nominal	Metric—Interval
Measurement	Causal relationship between scenario followed and all the dimensions of the relationships that employees have with the organisation.	
Method of measurement	The stimulus was the change management strategy depicted in the scenarios, and the resulting relationship was measured by all the items in the measuring instrument. Scheffe's test was conducted to determine if the strategy followed for change had a meaningful impact on the relationships that employees would have with organisations	
Technique used	MANOVA – Scheffe's test	

Research Hypothesis 6 stated in Statistical Notation:

$$H6 \qquad \begin{bmatrix} \mu_{r1s1} \\ \mu_{r2s1} \\ \mu_{r3s1} \\ \mu_{r4s1} \end{bmatrix} \quad \square \quad \begin{bmatrix} \mu_{r1s2} \\ \mu_{r2s2} \\ \mu_{r3s2} \\ \mu_{r4s2} \end{bmatrix}$$

Notation used:

μ= Mean of variable (sample mean)

r = Average of relational index (ranging from 1 – 4)

s = Scenario of change strategy (1 – 2)

6.8.9 Operationalisation of Research Hypothesis 7

Research Hypothesis 7 = There is a meaningful difference between Scenario A (planned approach) and Scenario B (participatory approach) in terms of the relationships with internal stakeholders.

Table 6-22: Research Hypothesis 7—Operationalisation

Number of variables	2 (independent)	4 (dependent)
Variables	2 Scenarios of change strategy	Trust, control mutuality, commitment, satisfaction—all items of the relational index
Data type	Non-metric - Nominal	Metric - Interval
Measurement	Statistical relationship between scenario followed and all the dimensions of the relationships that employees had with the organisation	
Method of measurement	The stimulus is the change management strategy depicted in the scenarios, and the resulting relationship was measured by all the items in the measuring instrument. Scheffe's test was conducted to determine if the strategy followed for change had a meaningful impact on the relationships that employees would have with organisations	
Technique used	MANOVA – Scheffe's test	

Research Hypothesis 7 stated in Statistical Notation:

$$H7 \quad \begin{bmatrix} \mu_{r1s1} \\ \mu_{r2s1} \\ \mu_{r3s1} \\ \mu_{r4s1} \end{bmatrix} \neq \begin{bmatrix} \mu_{r1s2} \\ \mu_{r2s2} \\ \mu_{r3s2} \\ \mu_{r4s2} \end{bmatrix}$$

Notation used:

μ= Mean of variable (sample mean)

r = Average of relational index (ranging from 1 – 4)

s = Scenario of change strategy (1 – 2)

6.9 Data analysis and statistical techniques

The study used scientifically acceptable methods to ensure reliability and validity. The most important of these methods are outlined below.

6.9.1 Test for order differences

An ANOVA test was performed to ascertain whether there was a significant difference between the responses when the questionnaire for Scenario A (planned approach) and Scenario B (participatory approach) was alternated. ANOVA was also used to test research hypothesis 1 where there is one dependent variable and two independent variables.

ANOVA is a statistical method to test **analysis of variance**. One way analysis of variance is used when one is interested in "examining the differences in the mean values of the dependent variable for several categories of a single independent variable or factor" (Malhotra, 1993, p. 522). The ANOVA tells us whether the separate groups differ significantly regarding the dependent variable (Baxter & Babbie, 2004).

There are several conditions in order to perform ANOVA tests (Cooper & Schindler, 2001):

- The samples have to be randomly drawn from a normal population;

- Populations must have equal variances;

- There should be independence of error.

The test statistic for ANOVA is the F ratio, and if this is found to be significant it is difficult to determine which pairs are not equal (Cooper & Schindler, 2001). For this reason *multiple comparison tests* can be performed, of which there are more than a dozen with different options available. The *Scheffe's S* test, used in this study, is a conservative test that is robust to violations of assumptions. It is a complex comparison test with unequal n's, and equal variances assumed (Cooper & Schindler, 2001; Gay & Diehl, 1992).

6.9.2 Reliability analysis

Reliability pertains to consistency and the degree to which the same results may be obtained if the measure was repeated. This has to do with the accuracy and precision at which the measurement procedure is performed, and the main concern is with estimates of the extent to which any measure is free of error (Cooper & Schindler, 2001). Reliability measures have to be stable and cannot fluctuate (Stacks, 2002). Cronbach's Alpha reliability test was used to establish the internal consistency of the measuring instrument. Cronbach's Alpha is best suited for a multi-item scale with the interval level of measurement, such as was used in this questionnaire. A Cronbach's Alpha can also be used to determine a measure's reliability if some items are excluded from the measure.

In general, a coefficient of **0.70** or higher is considered good, and higher than **0.90** is considered excellent (Stacks, 2002). A value below **0.60** would indicate unsatisfactory internal consistency reliability. The reliability analysis in this case showed a coefficient of **0.97**, which indicated that the questionnaire was highly reliable for testing relationships between employees and their organisations in the scenarios.

6.9.3 Construct validity analysis

Cooper & Schindler (1998, p. 149) describe *validity* as the extent to which differences found in the research reflect true differences among respondents. The extent to which a measuring instrument actually measures what it sets out to measure determines the internal validity of the instrument (Stacks, 2002). Construct validity is the most sophisticated validity measure to determine what construct the scale is measuring (Malhotra, 1993). Most attitudinal measurement scales, such as that used in this study, are composed of a number of statements, which have more than one underlying concept to be measured. In this case the relationship measuring scale consists of the factors trust, commitment, satisfaction and control mutuality. A measure's validity can be established through a statistical factor analysis.

A principal component factor analysis was performed on the results obtained in this study in order to determine the extent to which the instrument measured

what it was intended to measure. Factor analysis is a multivariate technique used when one cannot distinguish between the dependent and the independent variables, and when metric data is used (Diamantopoulos & Schlegelmilch, 1997). The whole set of interdependent variables are thus examined and then presented in terms of underlying factors. These factors thus explain the correlations amongst a set of variables.

In principle components analysis the total variance in the data is taken into account, and is recommended when the main aim is to

> determine the minimum number of factors that will account for maximum variance in the data for use in subsequent multivariate analysis (Malhotra, 1993, p. 625).

Principle component analysis reduces the original variables into a smaller set of factors called principle components, which are not correlated with on another (Malhotra, 1993; Diamantopoulos & Schlegelmilch, 1997). A principle component is created through a linear combination of the original variables. Unities make up the diagonal of the correlation matrix, and full variance is included in the factor matrix.

Common factor analysis is used to determine the underlying dimensions and the common variance. As Malhotra (1993) point out, "Communalities are inserted in the diagonal of the correlations matrix" (, p. 625).

The ultimate aim of factor analysis is to gain parsimony, and the ultimate question always relates to the number of factors to be extracted (Malhotra, 1993). Various approaches can be followed, for example, the use of eigenvalues, percentage of variance accounted for, and significance tests.

When eigenvalues are used, only factors with eigenvalues greater than 1.0 are retained. Eigenvalues represent the amount of variance associated by a factor (Malhotra, 1993). When determination of which factors to retain is based on the percentage of variance, it implies that the cumulative percentage of variance extracted by a specific factor should reach a satisfactory level. At least a 60% of the variance should be accounted for.

Determination based on significance tests implies that statistical significance of separate items can be determined and only items that are significant will thus be retained (Malhotra, 1993).

Correlations coefficient is used to determine whether or not there is a relationship between variables (Gay & Diehl, 1992). The extent of the relationship is also determined. A positive correlation ranges from 0.00 to 1.00 and a negative one from 0.00 to -1.00. When a correlation coefficient is squared it usually indicates the amount of common variance shared by the variables. The higher the common variance between two variables, the stronger the relationship between them. A satisfactory factor solution in this study resulted in a cumulative variance of **78.34%**, which implied a high possibility that the instrument was measuring what it was intended to measure.

However, causality should not automatically be assumed, whatever the statistical significance (Cooper & Schindler, 2001). A coefficient is not necessarily remarkable simply because it is statistically significant.

In a factor analysis correlation coefficients are normally referred to as *loadings*. One would like to find some pattern where the first factor would be loaded on some variable and the second factor on others, and so forth for more factors. This would suggest a *pure* construct underlying a specific factor. Rotation is used to secure a less ambiguous condition between factors and variables (Cooper & Schindler, 2001), that is, preventing one variable of having a high correlations coefficient with more than one factor. The most commonly used method of rotation is the varimax procedure –

> *an orthogonal method of rotation which minimizes the number of variables with high loadings on a factor, thereby enhancing the interpretability of the factors (Malhotra, 1993, p. 627).*

Interpretations of factor loadings can be largely subjective as it is difficult to calculate the meanings of factors (Cooper & Schindler, 2001). Orthogonal rotation, especially, results in factors that are not correlated (Malhotra, 1993). In this case a correlation matrix was calculated to give a clearer indication of correlations.

A correlation matrix displays the coefficients for more than two variables and the table with findings are reported in the form of a triangle below the diagonal (Cooper & Schindler, 2001). The coefficients of 1.00 display the relationship of each variable with itself.

Another term used in this study that needs explanation is *multicollinearity*. "Multicollinearity arises when intercorrelations among predictors are very high" (Malhotra, 1993, p. 577). Multicollinearity might not always indicate a problem, but could imply that dimensions are not independent and rather highly correlated, which was the case in this study.

6.9.4 MANOVA

As mentioned previously MANOVA is an extension of ANOVA. It is an especially versatile technique to use in experimental research design. Multivariate analysis deals with more than two variables simultaneously and is therefore used to compare several groups in terms of several variables (Diamantopoulos & Schlegelmilch, 1997). MANOVA is also used to explore the interrelationships among sets of variables. The null hypothesis of an ANOVA would be that there is no difference in the group means for the specified variable, whereas the MANOVA hypothesis would specify that "there is no difference in the *sets* of means across the groups (since several variables are simultaneously compared)" (Diamantopoulos & Schlegelmilch, 1997, p. 210). Thus a MANOVA hypothesis refers to a set of variables as a whole rather than to separate variables.

To test multivariate hypotheses, multivariate significance tests are used (Diamantopoulos & Schlegelmilch, 1997), and there are several types. The most commonly used significance test is called Wilks' Lambda (or *U* statistic) and the smaller the value (close to 0) of a Wilks' Lambda (λ), the greater the implied significance. The univariate λ for each function makes up the Wilks' λ statistic and the significance value is calculated according to a chi-square transformation of the statistic (Malhotra, 1993). A large value of λ will be considered a λ close to 1 and this would indicate that group means do not seem to be different. "Wilks' λ for each predictor is the ratio of the within-group sum of squares to the total sum of squares" (Malhotra, 1993, p. 593).

In this study MANOVA was used to analyse Test Hypotheses 2 to 6. With all of these hypotheses one could:

- distinguish between the dependent and independent variables,

- there were several dependent variables,

- and the dependent variables were all metric (interval scales).

6.10 Summary

Experiments come closer than any primary data collection method to convincingly linking one variable to another. The greatest advantage of experimental design is the ability to manipulate the independent variable, which proved to be the most important reason for choosing this research design for this study. Another advantage of experimental design is that the influence of extraneous variables can be controlled, either through a control group, or through statistical testing. Experimental variables can be isolated and their influence can be measured over time. The disadvantage of generalisation with experimental design is not significant if compared to the advantage of being able to test theoretical concepts and contribute to theory building.

This chapter gave a description of the methodology used to test the hypotheses created from the literature discussed in the previous chapters. An explanation of the theory behind the methods used to prepare and analyse the data will aid in the understanding of the significance of the findings, which will be presented in the next chapter.

OVERVIEW OF CHAPTER 7: *Findings*

CHAPTER 1: INTRODUCTION → INTERPRETIVE APPROACH → CRITICAL PARADIGM → POSTMODERNISM → CHAOS AND COMPLEXITY THEORIES → RELATIONSHIP MANAGEMENT

Background

Key concepts

Conceptual framework

Research statement, objectives, design & methodology

Findings, Conclusions & Implications

CHAPTER 2: STRATEGIC MANAGEMENT & CHANGE

CHAPTER 3: APPROACHES TO CHANGE MANAGEMENT

CHAPTER 4: EMERGENT APPROACHES

CHAPTER 5: RELATIONSHIPS & RELATIONSHIP MANAGEMENT

CHAPTER 6: METHODOLOGY

CHAPTER 7: FINDINGS

CHAPTER 8: CONCLUSIONS & FURTHER RESEARCH

Research findings
Descriptive statistics
Hypothesis testing
    results

CHAPTER 7:

Findings

7.1 Introduction

In the previous chapter the stage was set for the results of this study. Chapter 7 is the culmination of all the theoretical chapters and the methodological foundations set in chapter 6. In this chapter all the findings are used to analyse the hypotheses and decide whether to accept or reject them, thereby contributing to the final discussion of the research question set in Chapter 1.

The results of this study will be discussed by first examining the findings of the pre-experimental phase. Thereafter the findings of the manipulation success will be presented, followed by the general descriptive findings, and finally, the statistical results of the experimental phase. The descriptive findings, which will be presented first, are shown in tables and the following figure provides a short explanation of how to read the results:

Figure 7-1: A guide to reading the descriptive tables

N = number of responses realised for this item

Avg = Indicates the average score expressed as an index out of 7

Scenario	Item on Questionnaire	N	Avg	StdDev	Two-low	Two-top
SENAQ1	This organisation treats people like me fairly and justly	186	3.63	1.42	23.?%	9.7%
SENAQ2	Whenever this organisation makes an important decision, I know it will be concerned about people like me	186	3.27	1.46	32.?%	7.5%
SENAQ3	This organisation can be relied on to keep its promises	184	3.88	1.58	20.?%	17.4%

Standard Deviation:
This is an index of variability (distribution) of data. A small standard deviation indicates that scores are close together and a large standard deviation indicates that the scores are more spread out.

Two-top box & Two-low box scores:
Indicate the percentage of respondents who indicated the 2 most upper scale points, or the 2 lowest scale points. Therefore, on a 7-point scale, it would indicate the % of those who said 6 & 7 (where 7 means strongly agree) and the opposite for the lowest scores.

7.2 Findings of the pre-test phase

The following tables present the descriptive statistics for the 14 questionnaires of the pre-test phase. There were 15 elements and each element was measured on a scale from 1 to 7, where one end of the scale reflected a characteristic of the planned approach under that element, and the other end represented a characteristic of the emergent approach under the same element.

Table 7-1: Pre-test Relationship Scale index for Scenario A (planned approach)

Number	Element on Questionnaire	N	Avg	StdDev	Two-low	Two-top
1	Change	14	1.71	1.14	85.7%	0.0%
2	Managed by	14	1.57	0.65	92.9%	0.0%
3	Communication	14	1.57	0.85	92.9%	0.0%
4	Decision-making	14	1.50	0.76	85.7%	0.0%
5	Change type	14	1.71	0.99	78.6%	0.0%
6	Environment	14	2.14	1.56	71.4%	7.1%
7	Top management	14	1.29	0.47	100.0%	0.0%
8	Change managers	14	1.36	0.50	100.0%	0.0%
9	Monitoring	14	1.43	0.51	100.0%	0.0%
10	Problems managed	14	1.50	0.65	92.9%	0.0%
11	Conflicts	14	1.71	1.07	85.7%	0.0%
12	Time and money	14	1.50	0.94	85.7%	0.0%
13	Information	14	1.86	1.23	85.7%	0.0%
14	Driven by	14	1.79	1.12	85.7%	0.0%
15	Evaluation	14	1.50	0.65	92.9%	0.0%

The averages of the pre-test for Scenario A are all towards the planned approach side of the scale where 1 and 2 indicated the elements as being structured and top management driven, and the two-low box scores were the highest.

Table 7-2: Pre-test Relationship Scale index for Scenario B (participative approach)

Number	Element on Questionnaire	N	Avg	StdDev	Two-low	Two-top
1	Change	14	6.36	0.50	0.00%	100.0%
2	Managed by	14	6.36	0.63	0.00%	92.9%
3	Communication	14	6.5	0.65	0.00%	92.9%
4	Decision-making	14	6.21	0.89	0.00%	85.7%
5	Change type	14	6.29	0.61	0.00%	92.9%
6	Environment	14	6.00	0.68	0.00%	78.6%
7	Top management	14	6.29	0.73	0.00%	85.7%
8	Change managers	14	6.21	1.12	0.00%	85.7%
9	Monitoring	14	6.07	1.00	0.00%	71.4%
10	Problems managed	14	5.93	0.83	0.00%	78.6%
11	Conflicts	14	6.14	0.66	0.00%	85.7%
12	Time and money	14	5.93	1.27	0.00%	71.4%
13	Information	14	6.21	1.37	7.1%	85.7%
14	Driven by	14	6.21	1.42	7.1%	78.6%
15	Evaluation	14	6.43	0.51	0.00%	100.0%

The averages of the pre-test for Scenario B are all towards the emergent participative approach side of the scale where 6 and 7 indicated the elements as being employee driven, and the two-top box scores were the highest.

The results show that the respondents understood and perceived the two scenarios in relation to the elements. From these results, and the focus groups, seven elements were extracted for use in the final questionnaire. These were the elements of change, communication, decision-making, change managers, conflicts, information and evaluation.

7.3 Descriptive statistics

In this section, the general descriptive results will be presented and discussed. The statistical significance testing of the results follows in later sections.

7.3.1 The Relationship Scale

Tables 7.3 and 7.4 show the relationship scales for Scenarios A and B respectively. (The items of the questionnaire marked with SENAQX indicate that these were the items marked as Question X for Scenario A).

Table 7-3: Relationship Scale index for Scenario A (planned approach)

Scenario	Item on Questionnaire	N	Avg	StdDev	Two-low	Two-top
SENAQ1	This organisation treats people like me fairly and justly	186	3.62	1.42	23.1%	9.7%
SENAQ2	Whenever this organisation makes an important decision, I know it will be concerned about people like me	186	3.27	1.46	32.8%	7.5%
SENAQ3	This organisation can be relied on to keep its promises	184	3.88	1.58	20.7%	17.4%
SENAQ4	I believe that this organisation takes the opinions of people like me into account when making decisions	186	2.95	1.49	**44.1%**	**5.9%**
SENAQ5	I feel very confident about this organisation's skills	186	3.96	1.62	20.4%	21.5%
SENAQ6	This organisation has the ability to accomplish what it says it will do	185	4.44	1.52	**13.5%**	**28.6%**
SENAQ7	This organisation and people like me are attentive to what each other says	185	3.43	1.52	30.8%	10.3%
SENAQ8	This organisation believes the opinions of people like me are legitimate	186	3.18	1.60	37.6%	8.6%
SENAQ9R	In dealing with people like me, this organisation has a tendency to throw its weight around	186	3.46	1.63	35.5%	11.8%
SENAQ10	This organisation really listens to what people like me have to say	185	2.98	1.37	**40.0%**	**1.6%**
SENAQ11	The management of this organisation gives people like me enough say in the decision-making process	185	2.86	1.48	**49.2%**	**4.9%**
SENAQ12	I feel that this organisation is trying to maintain a long-term commitment to people like me	185	3.21	1.60	37.8%	9.2%
SENAQ13	I can see that this organisation wants to maintain a relationship with people like me	184	3.16	1.47	37.5%	7.6%
SENAQ14	There is a long-lasting bond between this organisation and people like me	185	3.06	1.55	**42.2%**	**8.1%**
SENAQ15	Compared to other organisations, I value my relationship with this organisation more	185	3.41	1.67	34.6%	13.0%
SENAQ16	I would rather work with this organisation than not	183	4.05	1.73	20.8%	23.5%
SENAQ17	I am happy with this organisation	183	3.60	1.65	27.9%	15.8%
SENAQ18	Both the organisation and people like me benefit from the relationship	183	3.59	1.63	31.7%	15.3%
SENAQ19	Most people like me are happy in their interactions with this organisation	184	3.29	1.50	36.4%	8.2%
SENAQ20	Generally speaking, I am pleased with the relationship this organisation has established with people like me	185	3.34	1.62	**38.4%**	10.8%
SENAQ21	Most people enjoy dealing with this organisation	185	3.65	1.56	26.5%	12.4%

As pointed out earlier, in the Institute of Public Relations relationship scale (Hon & Grunig, 1999), item 9 was negatively worded. This item was, however, reverse-scored in this study and the scores are thus correctly indicated.

It would seem that the respondents felt that, with the planned approach (Scenario A), the organisation does not take people's opinions into account when making decisions; nevertheless, they had confidence in the fact that this organisation would be able to accomplish what it set out to do. Furthermore, the respondents felt that this organisation did not listen to the opinions of its stakeholders, and did not let employees participate in decision-making. The fact employees did not have a chance to participate, or felt that they were not being listened to, affected their commitment to the organisation, as indicated by the item pertaining to forming a long lasting bond with the organisation, which was rated quite low—**42.2%** of all respondents rated this item very low. It would seem that overall the respondents were not very pleased with the relationship that this organisation had established with them (38.4% rated this item very low).

Table 7-4: Relationship Scale index for Scenario B (participative approach)

Scenario	Item on Questionnaire	N	Avg	StdDev	Two-low	Two-top
SENBQ1	This organisation treats people like me fairly and justly	186	5.20	1.26	3.2%	44.6%
SENBQ2	Whenever this organisation makes an important decision, I know it will be concerned about people like me	186	5.13	1.39	7.0%	48.4%
SENBQ3	This organisation can be relied on to keep its promises	186	4.93	1.38	5.9%	**37.6%**
SENBQ4	I believe that this organisation takes the opinions of people like me into account when making decisions	186	5.17	1.50	6.5%	**50.5%**
SENBQ5	I feel very confident about this organisation's skills	186	5.15	1.46	6.5%	46.2%
SENBQ6	This organisation has the ability to accomplish what it says it will do	185	5.10	1.31	5.4%	42.2%
SENBQ7	This organisation and people like me are attentive to what each other says	185	5.20	1.29	4.3%	45.4%
SENBQ8	This organisation believes the opinions of people like me are legitimate	185	5.09	1.42	6.5%	43.2%
SENBQ9R	In dealing with people like me, this organisation has a tendency to throw its weight around	185	4.86	1.57	10.8%	42.2%
SENBQ10	This organisation really listens to what people like me have to say	186	5.07	1.41	5.4%	42.5%
SENBQ11	The management of this organisation gives people like me enough say in the decision-making process	186	5.12	1.44	4.8%	45.2%
SENBQ12	I feel that this organisation is trying to maintain a long-term commitment to people like me	186	5.31	1.36	3.8%	53.2%
SENBQ13	I can see that this organisation wants to maintain a relationship with people like me	186	5.28	1.27	1.6%	48.4%
SENBQ14	There is a long lasting bond between this organisation and people like me	185	5.04	1.41	4.3%	41.6%
SENBQ15	Compared to other organisations, I value my relationship with this organisation more	186	5.35	1.28	3.2%	51.1%
SENBQ16	I would rather work with this organisation than not	186	5.54	1.23	2.7%	**59.1%**
SENBQ17	I am happy with this organisation	184	5.35	1.25	3.8%	48.4%
SENBQ18	Both the organisation and people like me benefit from the relationship	186	5.32	1.37	4.3%	50.0%
SENBQ19	Most people like me are happy in their interactions with this organisation	186	5.17	1.31	4.8%	46.8%
SENBQ20	Generally speaking, I am pleased with the relationship this organisation has established with people like me	186	5.22	1.26	2.7%	47.3%
SENBQ21	Most people enjoy dealing with this organisation	184	5.16	1.24	3.8%	46.2%

With the participative approach (Scenario B), a high percentage of respondents seemed to agree with most of the statements because more than 40% of the respondents rated all (except one) items very highly—6 and 7 on a scale of 7.

Less than 40% of the respondents rated the statement about the reliability of the organisation highly; still, a high percentage—37.6%—felt that this organisation was reliable.

The two items rated the highest by most of the respondents, were items 4 and 16, indicating a very high commitment and close working relationship with an organisation that follows a participatory approach.

7.3.2 Descriptive statistics on the respondents' organisations

7.3.2.1 Percentage of scenario approach followed in the respondents' organisation

The number of respondents who indicated that they followed a participative approach in the organisation in which they were working was relatively high, but it was still the planned approach that was being followed for managing change.

Table 7-5: Percentage of scenario approach followed in respondents' organisation

	N	Percentage
Scenario A (planned)	95	54.6
Scenario B (participative)	79	45.4
Total	174	100

Figure 7-2: Percentage of scenario approach followed in the respondents' organisation

55% Scenario A

45% Scenario B
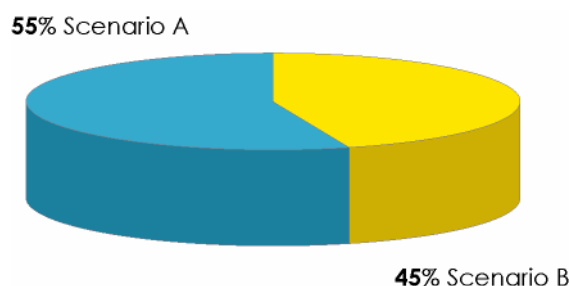
7.3.2.1 Percentage of organisations that have been through major changes according to respondents

The number of respondents who indicated that they were going through major changes was very high, which was normal for the South African organisational arena (most organisations were affected by the equity bill, affirmative action, etc.).

Table 7-6: Percentage of organisation that have been through major changes according to respondents

	N	Percentage
Yes	160	87.9
No	22	12.1
Total	182	100

Figure 7-3: Percentage of organisations that have been through major changes according to respondents
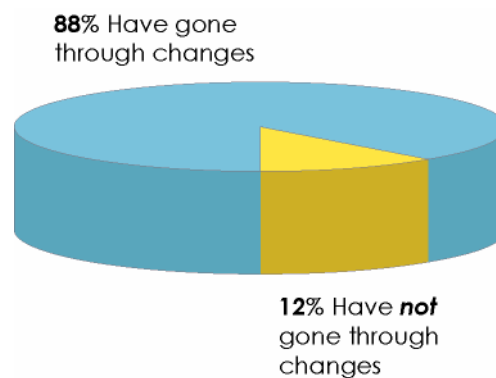
7.3.3 Educational levels of respondents

The respondents were highly educated, with a high percentage of post-graduates as indicated in Table 7.7. This is not reflective of the general population of South Africa, but is typical of middle to higher managerial levels (refer to Table 7.8).

Table 7-7: Educational levels of respondents

	N	Percentage
Matric/Grade 12	38	20.5
Diploma	47	25.4
B Tech degree	7	3.8
University degree	34	18.4
Higher diploma	9	4.9
Post Graduate	48	25.9
Other	2	1.0
Total	185	100

Figure 7-4: Educational levels of respondents
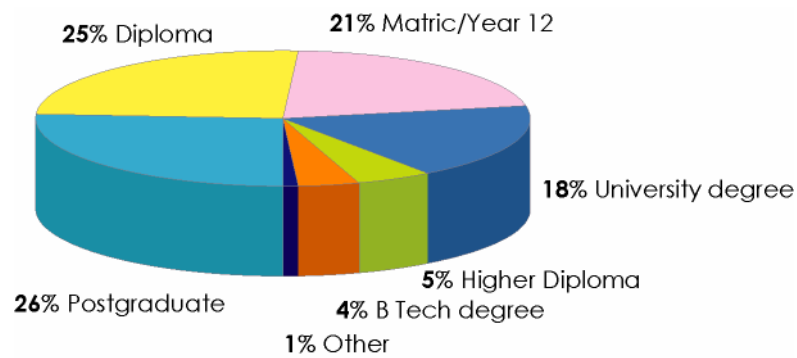
7.3.4 Level or ranking in the organisation

The sample consisted of a rather equal spread through the levels in the organisations. A third were non-managerial, more or less 50% was from entry and middle levels of management, and the last 20% were in higher managerial levels.

Table 7-8: Level of ranking in the organisation

	N	Percentage
Top management	17	9.2
Higher management	28	15.1
Middle management	67	36.2
Entry level management	19	10.3
Non-managerial	54	29.2
Total	185	100.0

Figure 7-5: Level or ranking in the organisation
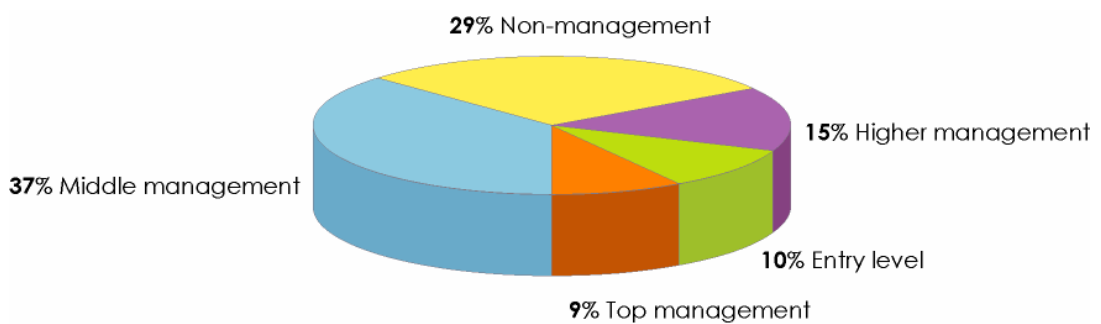
7.4 Experimental control measures

7.4.1 Test of order differences

An ANOVA test was performed to ascertain whether there was a significant difference between the responses when the questionnaire for Scenario A (planned approach) and Scenario B (participatory approach) was alternated.

Table 7-9: ANOVA Test of influence of scenario order in questionnaire

Testing differences in SCENARIO A for both order options					
Item on Questionnaire	**Order1**	**Order2**	**Difference**	**p**	
This organisation treats people like me fairly and justly	3.62	3.62	0.00	**0.99**	Not significant
Whenever this organisation makes an important decision, I know it will be concerned about people like me	3.19	3.37	-0.06	**0.40**	Not significant
This organisation can be relied on to keep its promises	3.86	3.90	-0.01	**0.87**	Not significant
I believe that this organisation takes the opinions of people like me into account when making decisions	2.85	3.07	-0.08	**0.32**	Not significant
I feel very confident about this organisation's skills	4.01	3.90	0.03	**0.63**	Not significant
This organisation has the ability to accomplish what it says it will do	4.54	4.33	0.05	**0.35**	Not significant
This organisation and people like me are attentive to what each other says	3.45	3.40	0.01	**0.82**	Not significant
This organisation believes the opinions of people like me are legitimate	3.15	3.21	-0.02	**0.80**	Not significant
In dealing with people like me, this organisation has a tendency to throw its weight around	4.41	4.69	-0.06	**0.25**	Not significant
This organisation really listens to what people like me have to say	2.87	3.11	-0.08	**0.24**	Not significant
The management of this organisation gives people like me enough say in the decision-making process	2.70	3.06	-0.13	**0.10**	Not significant
I feel that this organisation is trying to maintain a long-term commitment to people like me	3.17	3.26	-0.03	**0.71**	Not significant
I can see that this organisation wants to maintain a relationship with people like me	3.05	3.28	-0.08	**0.29**	Not significant
There is a long-lasting bond between this organisation and people like me	2.94	3.21	-0.09	**0.24**	Not significant
Compared to other organisations, I value my relationship with this organisation more	3.44	3.36	0.02	**0.76**	Not significant
I would rather work with this organisation than not	4.22	3.86	0.09	**0.15**	Not significant
I am happy with this organisation	3.66	3.53	0.04	**0.60**	Not significant
Both the organisation and people like me benefit from the relationship	3.64	3.53	0.03	**0.65**	Not significant
Most people like me are happy in their interactions with this organisation	3.18	3.42	-0.08	**0.28**	Not significant
Generally speaking, I am pleased with the relationship this organisation has established with people like me	3.33	3.35	-0.01	**0.92**	Not significant
Most people enjoy dealing with this organisation	3.58	3.74	-0.05	**0.49**	Not significant

Table 7-10: ANOVA Test for difference in Scenario B for both order options

Item on Questionnaire	Order 1	Order 2	Difference	p	
This organisation treats people like me fairly and justly	5.30	5.08	0.04	**0.24**	Not significant
Whenever this organisation makes an important decision, I know it will be concerned about people like me	5.28	4.95	0.06	**0.11**	Not significant
This organisation can be relied on to keep its promises	5.00	4.85	0.03	**0.46**	Not significant
I believe that this organisation takes the opinions of people like me into account when making decisions	5.31	5.01	0.06	**0.18**	Not significant
I feel very confident about this organisation's skills	5.33	4.94	0.07	**0.07**	Not significant
This organisation has the ability to accomplish what it says it will do	5.15	5.04	0.02	**0.55**	Not significant
This organisation and people like me are attentive to what each other says	5.33	5.05	0.05	**0.13**	Not significant
This organisation believes the opinions of people like me are legitimate	5.21	4.95	0.05	**0.22**	Not significant
In dealing with people like me, this organisation has a tendency to throw its weight around	4.97	4.73	0.05	**0.31**	Not significant
This organisation really listens to what people like me have to say	5.31	4.79	0.10	**0.01**	**Significant**
The management of this organisation gives people like me enough say in the decision-making process	5.29	4.93	0.07	**0.09**	Not significant
I feel that this organisation is trying to maintain a long-term commitment to people like me	5.51	5.08	0.08	**0.03**	**Significant**
I can see that this organisation wants to maintain a relationship with people like me	5.52	5.01	0.09	**0.01**	**Significant**
There is a long-lasting bond between this organisation and people like me	5.24	4.80	0.08	**0.03**	**Significant**
Compared to other organisations, I value my relationship with this organisation more	5.52	5.15	0.07	**0.05**	**Significant**
I would rather work with this organisation than not	5.75	5.30	0.08	**0.01**	**Significant**
I am happy with this organisation	5.56	5.12	0.08	**0.02**	**Significant**
Both the organisation and people like me benefit from the relationship	5.51	5.09	0.08	**0.04**	**Significant**
Most people like me are happy in their interactions with this organisation	5.38	4.93	0.08	**0.02**	**Significant**
Generally speaking, I am pleased with the relationship this organisation has established with people like me	5.48	4.91	0.10	**0.00**	**Significant**
Most people enjoy dealing with this organisation	5.44	4.85	0.11	**0.00**	**Significant**

The ANOVA showed no significant difference in the group that received Scenario A first (Order 1); however, there was a significant difference in the group that received Scenario B first (Order 2). The reason for this may be that Scenario B was perceived to be more positive than Scenario A. That is, when asked afterwards, the respondents in the first group reported that they had perceived Scenario A to be quite positive, but changed their mind after reading Scenario B. Respondents who received Scenario B first evaluated Scenario A to be significantly more negative. Furthermore, the items that were rated significantly different were the items pertaining to *commitment* and *satisfaction*. It would seem that the respondents felt less committed and less satisfied with the *planned approach* (Scenario A) having rated the *participative approach* (Scenario B) first. So, even though both scenarios were given to the respondents to read before answering the questionnaire, the order the scenarios was given created a significant difference. This is a classical example of the interaction effect of variables discussed in the previous chapter.

7.4.2 Experimental control measures

There were significant differences between the experimental control measures of Scenario A (planned approach) and Scenario B (participative approach), which means that the two approaches were perceived as being radically different. This emphasises the validity of the experimental measures. This test is regarded as a significant proof of the internal validity of the experimental design, indicating that the experimental manipulation had a definite effect on the dependent variable of the measuring instrument.

Table 7-11: Test to show the differences in experimental validity of the experimental stimuli

	SS Effect	df Effect	MS Effect	SS Error	df Error	MS Error	F	p
SENAQ26	714.41105	1	714.411	939.2008	369	2.54526	280.683	0
SENAQ27	744.93243	1	744.9324	1021.395	368	2.775529	268.393	0
SENAQ28	588.07727	1	588.0773	928.3623	362	2.564537	229.3113	0
SENAQ29	642.45545	1	642.4555	993.1456	369	2.691452	238.7022	0
SENAQ30	481.6099	1	481.6099	1018.18	369	2.759295	174.5409	0
SENAQ31	815.11409	1	815.1141	1002.126	369	2.715788	300.1391	0
SENAQ32	774.88043	1	774.8804	908.4239	366	2.482033	312.1959	0

Analysis of Variance (internalstatistica2.sta)
Marked effects are significant at **p** < 0.05000

7.5 Reliability analysis

7.5.1 Questionnaire reliability analysis

The Cronbach Alpha-coefficient was used to perform a reliability analysis on the relationship scale distributed by the Institute of Public Relations (Hon & Grunig, 1999). The reliability analysis resulted in a coefficient of **0.97**, which is highly satisfactory compared to statistical benchmarks of **0.70** given in the literature. Gay & Diehl (1992, p. 170) notes that a researcher can be satisfied with reliability levels between the 0.70s to 0.80s, so a coefficient of over **0.90** is highly acceptable for any instrument.

Owing to the high Cronbach Alpha coefficient obtained in the first round of testing, no statement that would lead to an increase in the Cronbach Alpha coefficient was deleted, because deletion of these statements would lead only to a marginal improvement. The *item-to-total* correlations were also checked to delete possible statements with low item-to-total correlations (below 0.3), which would indicate a lack of stability. Only item 9 showed a relatively low item-to-total correlation, which could have been due to its being a reversed statement. The item-to-total correlation of item 9 was still above 0.4 and was thus retained. The overall average item-to-total correlation was 0.66, and the Squared multiple (R) was above 0.6 for all items.

In the Institute of Public Relations relationship scale (Hon & Grunig, 1999), item 9 was negatively worded. This item was, however, reverse-scored in this study, and the scores are therefore correctly indicated. The effect of this on the item-to-total score is clear (0.438) and this would have improved the alpha if deleted (by 0.002), but not to such an extent that it granted the removal of the item from the relationship instrument in this study.

Table 7-12: Item to total correlations and alpha if deleted

Summary for scale: **Mean** = 94.4614 **Std.Dv .**= 29.6116 **Valid N, p.** 372			
Cronbach alpha = 0.971118 **Standardised alpha** = 0.971224			
Average inter-item corr. = 0.655753			
	Itm-Totl Correl.	Squared Multp. R	Alpha if deleted
SENAQ1	0.851	0.792	0.969
SENAQ2	0.847	0.806	0.969
SENAQ3	0.721	0.657	0.970
SENAQ4	0.898	0.873	0.968
SENAQ5	0.776	0.733	0.970
SENAQ6	0.645	0.624	0.971
SENAQ7	0.863	0.796	0.969
SENAQ8	0.870	0.811	0.969
SENAQ9R	0.438	1.000	0.973
SENAQ10	0.877	0.870	0.969
SENAQ11	0.856	0.845	0.969
SENAQ12	0.907	0.886	0.968
SENAQ13	0.916	0.902	0.968
SENAQ14	0.905	0.857	0.968
SENAQ15	0.895	0.859	0.969
SENAQ16	0.788	0.736	0.970
SENAQ17	0.899	0.861	0.969
SENAQ18	0.900	0.856	0.969
SENAQ19	0.917	0.881	0.968
SENAQ20	0.923	0.892	0.968
SENAQ21	0.819	0.735	0.969

7.5.2 Relationship scale dimension reliability analysis

The Cronbach Alpha-coefficient was also used to perform a reliability analysis on the four dimensions of the relationship instrument of the Institute of Public Relations, as well as to the behaviour items added. The Cronbach Alpha coefficients obtained for the dimensions are shown in Tables 7.13 to 7.16.

Table 7-13: Cronbach Alpha reliability coefficient for the Trust factor

	Itm-Totl	Squared	Alpha if
	Correl.	Multp. R	deleted
SENAQ1	0.8478624	0.7591171	0.9121
SENAQ2	0.8437613	0.7876371	0.912008
SENAQ3	0.7848693	0.6325884	0.919858
SENAQ4	0.8121594	0.7298787	0.917482
SENAQ5	0.8132685	0.6996244	0.916105
SENAQ6	0.6962227	0.6010392	0.930439

Cronbach alpha = 0.930906 **Standardised alpha** = 0.931481
Average inter-item corr. = 0.704202

Table 7-14: Cronbach Alpha reliability coefficient for the Control-mutuality factor

	Itm-Totl	Squared	Alpha if
	Correl.	Multp. R	deleted
SENAQ7	0.8218138	0.736557	0.878434
SENAQ8	0.8539003	0.783434	0.870217
SENAQ9R	0.481604	0.2346212	0.945085
SENAQ10	0.8679261	0.8286788	0.867685
SENAQ11	0.8519301	0.8027066	0.870368

Cronbach alpha = 0.908862 **Standardised alpha** = 0.908825
Average inter-item corr. = 0.707068

Table 7-15: Cronbach Alpha reliability coefficient for the Commitment factor

Summary for scale: Mean = 21.7275 **Std.Dv.** = 8.09270 **Valid N, p.** 372
Cronbach alpha = 0.956532 **Standardised alpha** = 0.956277
Average inter-item corr. = 0.827135

	Mean if	Var. if	StDv. if	Itm-Totl	Squared	Alpha if
	deleted	deleted	deleted	Correl.	Multp. R	deleted
SENAQ12	17.46331	41.120975	6.412564	0.898528	0.861219	0.942815
SENAQ13	17.500435	41.770885	6.46304	0.919281	0.88415	0.939351
SENAQ14	17.676109	41.537983	6.444997	0.903563	0.835977	0.941896
SENAQ15	17.347408	41.690323	6.456804	0.89556	0.810488	0.943274
SENAQ16	16.922583	45.161575	6.720236	0.77639	0.659498	0.962504

Table 7-16: Cronbach Alpha reliability coefficient for the Satisfaction factor

Summary for scale: Mean = 21.8649 **Std.Dv .**= 7.87990 **Valid N, p.** 372						
Cronbach alpha = 0.964680 **Standardised alpha** = 0.964550						
Average inter-item corr. = 0.849485						
	Mean if deleted	**Var. if deleted**	**StDv. if deleted**	**Itm-Totl Correl.**	**Squared Multp. R**	**Alpha if deleted**
SENAQ17	17.38537	39.764286	6.305893	0.907364	0.82397	0.954883
SENAQ18	17.40423	39.252094	6.265149	0.91308	0.84106	0.95397
SENAQ19	17.627096	39.685425	6.299637	0.915622	0.849091	0.953541
SENAQ20	17.58461	39.097446	6.252795	0.924694	0.860322	0.952026
SENAQ21	17.458429	42.113659	6.489504	0.836073	0.701994	0.966074

Table 7-17: Cronbach Alpha reliability coefficient for the behaviour factor

Cronbach alpha = 0.892233 **Standardised alpha** = 0.892546			
Average inter-item corr. = 0.677288			
	Itm-Totl Correl.	**Squared Multp. R**	**Alpha if deleted**
SENAQ22	0.7641332	0.5963593	0.860533
SENAQ23	0.7472687	0.5780641	0.867352
SENAQ24	0.7761491	0.6272869	0.856009
SENAQ25	0.7625471	0.6124375	0.861335

Table 7-18: Standardised Alpha reliability coefficients for each dimension

Dimension	Cronbach Alpha-coefficient
Trust (Items 1-6)	0.931
Control Mutuality (Items 7-11)	0.909
Commitment (Items 12—16)	0.957
Satisfaction (Items 17—21)	0.965
Behaviour change (Items 22–25)	0.892

The coefficients obtained are within accepted norms, and all the relationship dimensions received very satisfactory Cronbach's Alpha coefficients. A Cronbach's Alpha coefficient was also determined for the four items relating to the behavioural change dimension of this study, and although it was lower than the items in the relationship scale, it was still within acceptable norms (0.892).

7.6 Validity analysis

As part of the statistical validation of the findings a principal component factor analysis was performed on the relationship statements. A satisfactory factor solution resulted in a cumulative explained variance of **78.34%**, which means that the instrument explains nearly **78.4%** of all variability between different relationships. The Eigenvalue for this analysis was accepted at the normal guideline of '**1.00**'. Two factors were extracted but the difference between the cumulative variance of these 2 factors is only **4.852%**, and only 3 items were extracted for factor 2, all from the *trust* dimension. This implies that the instrument could not sufficiently differentiate between the intended dimensions as extracted from the theoretical construct.

The explained cumulative variance, factor loadings and correlation matrix of the factor analysis is shown in Table 7.19, Table 7.20, Table 7.21 respectively.

Table 7-19: Explained cumulative variance

Eigenvalues—Extraction: Principal components				
Factor	Eigenvalue	% Total Variance	Cumulative Eigenvalue	Cumulative %
1	15.416	73.409	15.416	73.409
2	1.036	4.933	16.452	78.342

Table 7-20: Factor loadings

Extraction: Principal components		
(Marked loadings are > 0.700000)		
	Factor 1	**Factor 2**
SENAQ1	0.646	0.583
SENAQ2	0.668	0.548
SENAQ3	0.340	0.782
SENAQ4	0.789	0.464
SENAQ5	0.381	0.813
SENAQ6	0.173	0.880
SENAQ7	0.725	0.496
SENAQ8	0.762	0.459
SENAQ9R	0.658	-0.026
SENAQ10	0.828	0.381
SENAQ11	0.829	0.350
SENAQ12	0.787	0.482
SENAQ13	0.814	0.459
SENAQ14	0.741	0.536
SENAQ15	0.761	0.495
SENAQ16	0.639	0.495
SENAQ17	0.706	0.576
SENAQ18	0.749	0.521
SENAQ19	0.769	0.518
SENAQ20	0.778	0.515
SENAQ21	0.690	0.478

Because the factors were not loading according to the preset four dimensions of the relationship scale, a correlation matrix was calculated to give a clearer indication of the correlations that may have existed between the variables in question (Table 7.21).

Table 7-21: Correlation matrix of factor analysis

Marked correlations are significant at **p** < 0.05000	Trust	Control Mutuality	Commitment	Satisfaction
Trust	1			
	p= ---			
Control Mutuality	0.8467	1		
	p=0.00	p= ---		
Commitment	0.8702	0.8949	1	
	p=0.00	p=0.00	p= ---	
Satisfaction	0.8658	0.8846	0.9391	1
	p=0.00	p=0.00	p=0.00	p= ---

The correlation matrix showed that the dimensions were not independent and that they were highly correlated, indicating an existence of multicollinearity. This might account for why the items loaded on mostly one factor, with the exception of 3 items.

7.7 Hypothesis testing results

In the following sections, the test hypotheses will be re-stated in the alternative form (even though the null hypotheses were tested) in order to simplify the discussion.

7.7.1 Hypotheses regarding experimental validation and control measures

7.7.1.1 Test Hypotheses 1

(Test Hypothesis = **TH**)

TH1 = There is a meaningful difference between the experimental controls of Scenario A (planned approach) and Scenario B (participatory approach) as perceived by the respondents.

Table 7-22: Experimental manipulation test – Test hypothesis 1

Questions	Scenario A	Scenario B	p
Question 26 concerning change	2.784	5.559	0.000
Question 27 concerning communication	2.859	5.697	0.000
Question 28 concerning decision-making	2.392	4.934	0.000
Question 29 concerning change managers	2.470	5.102	0.000
Question 30 concerning conflicts	3.157	5.435	0.000
Question 31 concerning information	2.600	5.565	0.000
Question 32 concerning evaluation	2.592	5.495	0.000

	Wilks' Lambda	Rao's R	df 1	df 2	p-level
1	0.49	52.4	7.00	353.000	0.000

As reported earlier, this test was regarded as a significant proof of the internal validity of the experimental design, indicating that the experimental manipulation had a definite affect on the dependent variable of the measuring instrument. Because **$p < 0.01$** the null hypothesis is rejected in favour of the alternative hypothesis, which states that there is a meaningful difference between the experimental controls of Scenario A and Scenario B.

7.7.1.2 Test hypothesis 2

TH2 = There is a meaningful difference between the different organisations in terms of the respondents' responses to the two different scenarios.

Table 7-23: Test Hypothesis 2

Organisations	Relational index Scenario A	Relational index Scenario B
Org 1 = Private sector - large bank	3.89	5.00
Org 2 = Large private industry	3.54	5.07
Org 3 = IT company	3.95	5.23
Org 4 = Professional body	5.10	6.52
Org 5 = Large bank - governmental	3.15	5.39
Org 6 = Large private industry	3.77	5.61
Org 7 = Large corporate (partially privatised; semi-parastatal)	3.34	5.40
Org 8 = Higher education	2.78	4.79
Org 9 = Higher education	2.90	5.57

	Wilks' Lambda	Rao's R	df 1	df 2	p-level
1	0.81	2.49	16.00	352.000	0.001

The nul hypothesis gets rejected in favour of the null hypothesis (p<0.01). This means that organisational type, size, or culture, or any other characteristic that makes organisations different from one another, had an affect on the relationship that the respondents would have towards the organisation. This finding had significant implications for this study because it showed that managers should consider the type of organisation when deciding on a change management approach to follow, as these factors seemed to have an influence on the success of an approach followed. This response was unexpected and may be contributed to the types of organisations used in this sample as they were not representative, but may also imply that size and type of organisation had important implications for change strategy choices. This needs to be examined further.

7.7.1.3 Test hypothesis 3

TH3 = There is no meaningful difference between the different educational levels of respondents in terms of their responses to the two different scenarios.

The educational levels were grouped together in order to simplify the analysis. Grade 12 (final year of school) was one group and all post school education formed another group.

Table 7-24: Test Hypothesis 3

Educational levels	Relational index Scenario A	Relational index Scenario B
Grade 12 = final school level	3.78	4.79
Post school education	3.39	5.29

	Wilks' Lambda	Rao's R	df 1	df 2	p-level
1	0.94	2.80	4.00	358.000	0.026

These findings imply that the null hypothesis is rejected (p<0.05), and that the educational level of employees may have an influence on how they respond to communication approaches followed during change management. Again the representativeness of the sample may have influenced the results, or may also imply that educational levels of participants have to be considered when deciding on a change strategy.

7.7.1.4 Test hypothesis 4

TH4 = There is a meaningful difference between the different functional levels within organisation in terms of the respondents' responses to the two different scenarios.

Table 7-25: Test Hypothesis 4

Levels in the organisation	Relational index Scenario A	Relational index Scenario B
Top management	3.46	5.07
Higher management	3.52	5.24
Middle management	3.40	5.33
Entry level management	3.71	5.16
Non-managerial	3.38	5.00

	Wilks' Lambda	Rao's R	df 1	df 2	p-level
1	0.98	0.55	8.00	358.000	0.821

In this case, the null hypothesis was not rejected (p = 0.821), and there thus seemed to be no significant difference between the levels in which respondents function in terms of how they responded to the two scenarios.

7.7.1.5 Test hypothesis 5

TH5 = There is no meaningful difference between the real change management styles followed in the respondents' organisations in terms of the experimental test of the relationships with the two scenarios.

Table 7-26: Test Hypothesis 5

Change style followed in organisation of respondent	Relational index Scenario A	Relational index Scenario B
Planned change	3.43	5.24
Participative style	3.48	5.13

	Wilks' Lambda	Rao's R	df 1	df 2	p-level
1	0.10	0.24	2.00	171.000	0.785

In this case, there seemed to be no significant difference between the management styles followed in the respondents' organisations in terms of the relationships with the scenarios and thus the null hypotheses was accepted (p = 0.785)

7.7.1.6 Test hypothesis 6

TH6 = There is no meaningful difference between the change (or not) in the respondents' organisations in terms of the experimental tests of relationships with the two scenarios.

Table 7-27: Test Hypothesis 6

Whether change has occurred in organisation of respondent	Relational index Scenario A	Relational index Scenario B
Change has occurred	3.50	5.16
Change has not occurred	3.09	5.16

	Wilks' Lambda	Rao's R	df 1	df 2	p-level
1	0.99	1.04	2.00	179.000	0.354

The null hypothesis was accepted (p = 0.354), and there was thus no significant difference between the change happening in the respondents' organisations and the relationships within the two scenarios.

These findings implied that there is proof of the internal validity of the experimental design concerning some of the variable, and that the experimental manipulation (the two different change management strategies) had a strong effect on the relationship that employees have with the organisation. However, it also appeared as if the type of organisation and the educational level of respondents had an influence on the results. This needs further research to ascertain how and why these factors influence the change management style followed. The level in the organisation, changes in the respondent organisation, or change management style followed in respondent organisation had no influence.

7.7.2 Research hypotheses

7.7.2.1 Research hypotheses 1 to 5

(Research Hypothesis = **H**)

> **Research Hypothesis 1 - 5** = High participatory communication and change strategy will lead to significantly more trust/control mutuality/commitment/satisfaction/behavioural effects between an organisation and its employees than with a lower degree of participation and a planned approach.

Table 7-28: Dimension average

	Trust	Control Mutuality	Commitment	Satisfaction	Behaviour
Scenario A	3.70	3.24	3.43	3.53	4.56
Scenario B	5.07	5.02	5.23	5.19	4.41

Table 7-29: Analysis of variance

Marked effects are significant at **p** < 0.05000								
	SS	df	MS	SS	df	MS			
	Effect	Effect	Effect	Error	Error	Error	F	p	
H1 = TRUST	189.1	1.0	189.1	548.8	370.0	1.48	127.465	0.000	**Significant**
H2 = CONT.MUT	331.6	1.0	331.6	511.0	370.0	1.38	240.138	0.000	**Significant**
H3 = COMMIT	344.7	1.0	344.7	635.7	369.0	1.72	200.083	0.000	**Significant**
H4 = SATIS	282.7	1.0	282.7	644.3	369.0	1.75	161.926	0.000	**Significant**
H5 = BEHAV	2.1	1.0	2.1	758.5	354.0	2.14	0.991	0.320	Not significant

In terms of the research hypotheses 1 to 4 it seems as if all of the null hypotheses could be rejected in favour of the stated alternative hypotheses. Hypothesis 5 seems to show that a participatory approach will not necessarily lead to a significantly more positive goal attainment and change behavioural effects between an organisation and its employees than with a lower degree of participation and a planned approach.

7.7.2.2 Research hypothesis 6

H6 = High degree of participation during high change in organisations will lead to significantly more positive relationship between an organisation and its internal publics than with lower degrees of participation and a planned approach.

Table 7-30: Scheffe's Test

	Trust	Control Mutuality	Commitment	Satisfaction
Trust	0.000			
Control Mutuality	0.000	0.000		
Commitment	0.000	0.000	0.000	
Satisfaction	0.000	0.000	0.000	0.000

This nul hypothesis is rejected and it seems then that participation during change will lead to more positive relationships between organisations and the employees in the organisation.

7.7.2.3 Research hypothesis 7

H7 = There is a meaningful difference between Scenario A (planned approach) and Scenario B (participatory approach) in terms of the relationships with internal stakeholders.

Table 7-31: MANOVA Test for difference in two scenarios and relationships

Summary of all effects					
Scenario	Wilks' Lambda	Rao's R	df 1	df 2	p-level
A	0.633	106.797	2.000	368.000	0.000
B	0.886	23.684	2.000	368.000	0.000
A & B	0.879	25.216	2.000	368.000	0.000

This final hypothesis merely confirms the findings of hypothesis 6 using a relational hypothesis rather than a causal one. The findings show clearly that the null hypothesis is rejected and that there is a significant difference between the two approaches to change in terms of the relationships towards stakeholders.

7.8 Summary

In terms of the experimental validity of this study and the measuring instrument used, the most important findings showed significant proof of the internal validity of the experimental design used, indicating that:

- the experimental manipulation (the two different change management strategies) had a definite effect on the relationship that internal stakeholders would have with organisations, and that most other variables had no influence (type of organisation and educational level had some influence);

- high participation during high change led to significantly more positive overall relationships between an organisation and its internal stakeholders, as compared to low participation with a planned approach;

- strong correlations between the strategy followed during change and the resulting projected relationships with internal stakeholders of the organisation.

In the next and final chapter, the significance and implications of the above findings will be discussed in the context of practice and theory of change management and relationship management.

OVERVIEW OF CHAPTER 8: *Conclusions and Further Research*

CHAPTER 1: INTRODUCTION → INTERPRETIVE APPROACH → CRITICAL PARADIGM → POSTMODERNISM → CHAOS AND COMPLEXITY THEORIES → RELATIONSHIP MANAGEMENT

Background   Key concepts   Conceptual framework   Research statement, objectives, design & methodology   Findings, Conclusions & Implications

CHAPTER 2: STRATEGIC MANAGEMENT & CHANGE	CHAPTER 3: APPROACHES TO CHANGE MANAGEMENT	CHAPTER 4: EMERGENT APPROACHES	CHAPTER 5: RELATIONSHIPS & RELATIONSHIP MANAGEMENT	CHAPTER 6: METHODOLOGY	CHAPTER 7: FINDINGS	CHAPTER 8: CONCLUSIONS & FURTHER RESEARCH

A personal
  observation
Main findings of
  this study
Managerial
  recommendations
Limitations of
  this study
Recommendations
  for further research

Contributions, Limitations and Conclusions

In this final chapter, the findings of the research questions and hypotheses come full circle and they are brought into context. The conclusions focus on the unique contribution of the study to the field of public relations and relationship management. Limitations of this study necessarily lead to suggestions for further research.

8.1 Main findings and implications of this study

The experimental design showed high internal validity, and the experimental manipulation (the two different change management strategies) had a definite effect on the relationship that internal stakeholders would have with organisations. Two other variables showed some possible influence, namely, the type of organisation and the employee's educational level. No other variables tested had an influence.

It would seem that although employees show confidence in an organisation that follows a planned approach, they also feel that these organisations are neither caring nor considerate, therefore they are unwilling to commit to these organisations. Employees tend to evaluate an organisation that follows a participative change approach as slightly less reliable than an organisation that follows a planned approach. Nevertheless they also tend to feel more committed and more positive towards an organisation that follows a participative approach.

Further findings show that high participatory change strategy will lead to significantly more *trust*, *control mutuality*, *commitment*, and *satisfaction* with the *relationship* between an organisation and its employees than with a lower degree of participation and a planned approach. Despite this, high participatory change strategy will not necessarily make employees change their behaviour. A possible reason for this finding could be that a positive relationship does not imply behavioural change. It could also be that the items used in this study to determine

this dimension were not well-designed and did not actually measure what they set out to measure. These items were not part of the measuring instrument set up by the Institute of Public Relations (Hon & Grunig, 1999), which were used to measure other relationship dimensions.

The overall finding of this study is that a higher degree of participation during high change in organisations will lead to significantly **more positive overall relationships** between an organisation and its internal publics than with lower degrees of participation and a planned approach. In other words, there is a meaningful difference in terms of the relationships with internal stakeholders between a planned approach and a participatory approach to change.

Change efforts often fail for any (or all) of the following reasons: because the changes are not communicated well, or that organisations fail to align change efforts to the strategic goals of the organisation, and they do not facilitate learning or advanced training (Head, 1997, p. 4). Due to adverse contingent circumstances, change cannot be based on plans and projections, but rather on understanding the complexities of situations and weighing different options available (Burnes, 1996, p. 187). Quinn (1998) notes from the findings of a study of 9 organisations that change strategies were not initially included in the formal strategies of those organisations, but came about on an ad hoc and incremental fashion. This was happening for at least two reasons: (1) because of uncontrollable environmental changes and a large number of powerful opponents, a diversity of possible outcomes and viewpoints developed; and (2) results of these outcomes were impossible to predict, so any pre-planned strategies were useless unless they could be tested interactively. Thus Quinn proposes that organisations should always test relational strategies that concern stakeholders through environmental scanning. Furthermore, they should interact in a proactive way in order to test public opinions and the impact of political action.

The continued participation of different stakeholders of an organisation – including to what extent they will co-operate as the organisation changes – depends on how much they will benefit as a result. No business can expect to survive if it affects negatively on any significant group of people or interest. Stakeholders provide an organisation with a 'license to operate', and they only truly

benefit if the organisational goals are devoid of harm through pollution or unwelcome cultural influences, reduction of risk , or creation of offsetting benefits (Post et al., 2002). Although this seems obvious, most organisations still place a large emphasis on ensuring investor and share-owner gain and bottom-line results. However, as environments become more turbulent, it becomes increasingly difficult to plan for specific outcomes, as Sherman & Schultz (1998) observe,

> *Planning doesn't work well in relation to unanticipated behaviours because it is essentially linear (p. 22).*

The new sciences emphasise limitless possibilities and the "process of everlasting becoming" (Sherman & Shultz, 1998, p. 23), thus encourages the practice of scenario planning and considering all possibilities for outcomes. Similarly, Costin (1998, p. xii) suggests that a differentiation of scenarios may be a solution to the debates about normative and descriptive approaches to strategy. In other words, whether a strategy should be analytical, structured, planned or rational, or whether it should be intuitive, unplanned, chaotic or flexible, ought to be determined by various factors appropriate to the change scenarios. Factors such as the number of actors involved, the information available, or the timing of decision-making, may all have various implications and effects. In order to consider all possibilities, it is necessary to have enough information from the environment. Scenario planning has become highly regarded in strategic management thinking because it provides solutions

> *far beyond the traditional financial and forecast-based planning approaches (Graetz et al., 2002).*

As according to Graetz et al. (2002), scenario planning has become a communication tool for managers in aiding their decision-making during chaotic times of high uncertainty and complexity. It is thinking 'outside the box', challenging the status quo, and stimulating lateral thinking. Furthermore, scenario planning is about finding a balance between over-predicting the outcomes of change and falling over the edge of chaos into total disintegration.

Having stated the propositions regarding structure and change, Cohen (2000) concludes:

> *Where complex new behaviour is needed and there is high dependency*
> *on the goodwill of organisation members, change will require both*
> *structural and process interventions, each stimulating and supporting*
> *the other. Structural interventions are unlikely to be a viable starting*
> *point for change (p. 187).*

In a similar line, Beer & Nohria (2000) take a postmodernist approach in their final conclusion about the tension between the planned approaches (Theory E) and the emergent approaches (Theory O) to change. They suggest that the arguments for both these approaches are equally persuasive, although they advocated in the simultaneous integration of the two, using the tension between them to the benefit of change. The paradoxes guiding these approaches can be used as a competitive advantage. Accordingly, the most successful approach is one that combines both Theories E and O.

In a stable environment where small localised changes are called for, the changes can be planned with a focus on technical and structural factors. Emergent approaches are apt in a turbulent environment where changes affect the whole organisation and the focus is on human resource and behaviour (Ströh & Jaatinen, 2001). The findings of this study indicate that organisations will have to increase their environmental scanning in order to identify issues and trends that might affect their decision-making (Burnes, 1996, p. 188). Management will also have to rethink and re-formulate what change is all about, not just change for the sake of change. They will have to move away from thinking in a linear and planned way, and allow for unanticipated behaviours and probabilities because postmodern environments are more complex and chaotic than ever before (Sherman & Schultz, 1998, p. 22).

This study shows that variables such as size and type of organisation, as well as educational levels, would have to be taken into consideration when employing a change and communication strategy. Neither of the two main approaches can achieve all the management objectives normally set by most organisations and their employees. A paradoxical combined approach will require constant analysis of the environment, and all variables that could have an influence on the organisation. In the end, the chosen approach to facilitate the process of change effectively should not rely on which change management strategy is being followed; rather the

emphasis should be on building relationships with all relevant stakeholders. Strong relationships could guide the decision-making processes and provide democratic systems that nourish trust, openness and an ethical approach.

8.2 From communication manager to relationship manager

Emerging approaches to change, as discussed in Chapter 4, propose that change and, more specifically, transformation, should be viewed as a continuous process linked to the complexities of the changing market, changing nature of work environments, new management approaches, and redefined organisational boundaries and relationships. In order to survive and ensure growth and success, it is crucial for organisations to scan the environment for issues and trends while also involving all members of the organisation in this process. Since the responsibility for organisational change cannot be carried by just a few managers. It is precisely here that communication managers can take up a leadership role in the change process. Because of their boundary spanning function they can be research experts, especially with regard to environmental scanning, in identifying and providing information on emerging issues around which the organisation needs to adapt. More importantly still, they could facilitate participation through dialogue and provide networking structures.

Costin (1998, p. xiv) suggests that in situations where the information and time necessary for decision-making are widely available, and there are many stakeholders involved, a participative process would be appropriate. However, when there is a crisis and information is scarce and ambiguous, it would be more appropriate to centralise the decision-making. This is debatable, drawing from chaos and complexity theories, because during a crisis, bifurcation points occur where decision-making might have larger consequences than planned for many stakeholders. It is particularly during this time that managers and information holders must bear the responsibility of distributing information widely and transparently, so that all stakeholders involved may partake in bringing about change. At this point, knowledge may be created through dialogue, that is, despite limited and ambiguous information to start with, in order to aid the decision-making process. To centralise decision-making during times of rapid change and

instability may be putting too much pressure and responsibility on one single actor; while contributions from too many knowledge sources may overload or be overlooked, resulting in limited choices and outcomes. Costin (1998, p. xiv) observes that there is an inverse relationship between the availability of critical information and the use of what he calls 'fuzzy' skills, such as intuition. The question to be asked, however, is whether we could ever have or know the full extent of information available in this complex and ever changing world.

Traditional hierarchies and borders in organisations should therefore be challenged in existing paradigms of change and management. Kiel (cited in Evans, 1996) proposes that the participations of citizens and customers should be encouraged to increase participation, ownership, and service excellence. More strategic and advanced communication can improve these relationships with outside stakeholders and create arbitrary boundaries for the organisation (Sherman & Schultz, 1998). Boundaries within the organisation are also broken down and a more interdisciplinary approach is followed.

Building a culture of constant, flexible change within an organisation is a further responsibility of public relations managers, and within the postmodern paradigms, leadership should be concerned with guiding visions and values through constant communication in all directions (Wheatley, 1994). This implies allowing and even facilitating the questioning of management decisions, conflict, dialogue and debate. Participation of employees in the decision-making and change-driving processes can be facilitated by providing channels to transmit, analyse, and discuss change issues. The organisation should also facilitate interactions that respect people and build their confidence and trust (Burnes, 1996; Weick, 2000). This respectful discourse has an intrinsic power for change.

Dawson (cited in Burnes, 1996: 188) claims that change ought to be linked to changing markets realities, flexible boundaries and relationships with stakeholders, work ethic changes, and alterations in management controls. Short-term change strategies yield short-term results, but increase instability. The building of relationships provide organisations with a long-term strategy, which paradoxically provides stability within potentially chaotic and ever-changing environments.

The most important implication for communication management is the obligation to build relationships while working towards achieving an organisation's strategic objectives (Grunig, 1992, p. 11). To use communication strategically is to build trust, commitment, mutual satisfaction and mutual control of relationships with all important stakeholders (Flower, 1993, p. 50). The quality of relationships can be increased by facilitating participation and communication in all directions, and subsequently, overcoming barriers to knowledge-sharing and strategic information (Marlow & O'Connor Wilson, 1997, p. 68). Building relationships is providing a strong foundation from which to manage any crisis, thus easing the change management process such that the organisation is geared for any possible change scenario. This also leads to high morale and a positive climate or culture which, in turn, leads to improved customer service and a constructive contribution to the strategic goals of the organisation.

Relationship building should be a necessary process in any strategic or change management strategy. The strategy, in terms of what steps to follow or what plan to use, is ultimately irrelevant if relationships are solidly built. The change process will follow as it should, and goals will be reached.

In the postmodern era, true long-term value for an organisation is in focussing on the process of relationship building rather than on the outcomes of those relationships (Sheth & Parvatiyar, 1995). As is revealed in relationship marketing, the shift in focus, that is, from outcomes of an exchange (transaction) to process of relationship engagement and enhancement, means that boundaries in organisations are broken down and the roles of the marketing actors are enmeshed and blurred. These co-operative relationships eventually have little to do with the exchange of products, services, or even values, but become

> *a process of value creation through co-operative and collaborative effort*
> *(Sheth & Parvatiyar, 1995, p. 414.)*

As Sheth & Parvatiyar (1995) note, this is clearly an example of an evolution towards a postmodern approach. It would therefore be to the benefit of the field of public relations to shift the focus from measuring outputs (or even behavioural outcomes) to the relationship processes, that is, of engagement and enrichment through constant dialogue, debate and discourse. This is the making of true values,

not only for the organisation, but also its environment and, ultimately, society as a whole. The well-known business philosopher Charles Handy (2002) believes that running an organisation should be a moral issue. Many organisations have lost the trust of their stakeholders because their stakeholders suspect that corporations are immoral in that they have no purpose other than themselves. Organisations will have healthy relationships by being good citizens and by leading in areas such as environmental and social sustainability. In this sense, an organisation should be good by doing good (Ledingham, 2003).

A further contribution of emergent change management to relationship building is the importance of participation. Bennis (2000, p. 114) argues that a top-down change leadership is a myth, because adaptive problems in complex environments require alliances and involvement of all affected by the changes. This further promotes participation because participation encourages a more ethical, energetic and empowering process (Dunphy, 2000).

In the stakeholder participation approach, the role of the relationship manager is the co-ordination of conflicting interests between diverse stakeholder groups, rather than containment of stakeholder interests (Deetz, 1995). As according to Deetz (1995),

> *In a strong representation model, management would be hired by all stakeholders and work to coordinate optimally the meeting of all interests as if they were interests of the corporation, thus seeking the most creative codetermination for the benefit of all stakeholders (p. 49).*

The relationship manager needs to determine which stakeholder group has the more legitimate interests, and what those interests are, in order to provide communication platforms for dialogic communication and negotiation.

8.3 Unique contributions of this study

The application of postmodern approaches such as chaos and complexity theories to relationship management within public relations have only been done by a small number of theorists (Murphy, 2000; Aula, 1999; Holtzhausen, 2001). The relevance of relationships, connectivity, self-organisation, and participation in

change management, from the field of public relations has not been studied before. This study contributes by emphasising relationship management for effective change management. It does not merely apply analogies to human action but provides strong metaphors from chaos and complexity theories for theorising human interaction and relationships.

Emerging approaches such as postmodernism, contingency, chaos and complexity theories all stress the importance of interconnectivity between subsystems of societies and organisations, as well as the role of relationships in creating energy in the form of information and dialogue which amount to more than the individual parts of any system. The complex and dynamic nature of the environment, structural alteration, and the subsequent need for employee flexibility are recognised. A further contribution of this study to change management is the view that organisations should create visions and perform strategic planning around scenarios to guide actions. It is also crucial to adapt to change by influencing back on change, and lead change through building relationships, managing conflict, and participation in decision-making.

Relationships have previously been studied from the systems theory perspective (Broom et al., 2000; Angelopulo, 1994; Grunig et al., 2002; Grunig & Hunt, 1984; Steyn & Puth, 2000) where mutually influential interactions exist between an organisation and other systems in the environment because of the interdependence of subsystems. This is a clear indication of the modernist perspectives to many of the current theories and approaches to strategic communication management and public relations. Spicer (1997) is one of many theorists who have criticised the systems approach, particularly in terms of the lack of recognition of the power differences between subsystems. Furthermore, the systems theory has an inherent bias towards management, and that asymmetry seeks consensus, custom and conformity to culture. In this respect, Spicer (1997) predicts that, as the field of public relations matures, emphasis will shift beyond the organisational and managerial bias towards the societal role and a broader interconnectedness with the environment. This thesis has been an attempt to contribute to the approach of public relations on a broader sphere from a *process* perspective. The conceptual framework of this study is based on the principles of complex responsive processes of participation, continuous interaction and meaning

making. Within this paradigm, practitioners do not set out strategies and agendas beforehand, but they become participants in self-organised processes. They do not play the role of facilitators who take notes, summarise, structure, or call for feedback, but instead listen, guide articulation, link themes, reflect and thus become part of the 'narrative' and 'conversation' of the organisation. As Stacey (2003) envisions,

> *It is these shifts in communicative patterning that constitute organisational change. This means that unlike the systems practitioner, the practitioner from a complex responsive processes perspective is not concerned with any whole or system at all but with the detail of the local interactions between people in the living present (2003, p.403).*

A further shift of emphasis suggested in this thesis is the move away from communication management to behaviour management; that is, where the decision-making processes of an organisation have a direct impact on relationships between the organisation and its stakeholders. As suggested by Steyn & Puth (2000), if organisations are to fulfil true relationship management, the emphasis ought not to be on what is communicated but to whom. More importantly, it is ethical behaviours that build trust and, essentially, a healthy reputation. The emphasis is thus much less on communication management, and much more on relationships and behaviour management.

This thesis further questions whether relationships can be managed by formulating corporate communication strategies. One of the problems with this approach is that the emphasis is on the communication manager becoming part of the top management function in order to have decision-making and influencing powers in strategy (Steyn & Puth, 2000). The assumption that strategic thinking lies with the upper levels of organisations is persistently questioned in this study. Essentially, if communication managers are part of the decision-making process then they become part of the problem, and strategic decision-making becomes a top-down approach.

Another problem with the formulation of corporate communication strategies is the question of whether relationships can be managed this way. Postmodern theorists and corporate communication managers are starting to move away from

models of strategic planning, objective setting and positivistic measurement. New approaches support environmental scanning as an important starting point to identifying stakeholders who might be affected by organisational actions. They then suggest the building of relationships with these stakeholders through the decision-making processes, thereby sustaining the goal achievement and reputation of the organisation (Grunig et al., 2002; Holtzhausen, 2001). Conflict management, discourse and participation are therefore emphasised. Where an organisation's success within the modernist paradigm depends on its ability to process information of appropriate richness, and to reduce uncertainty and clarify ambiguity (Spicer, 1997, p. 241), emergent approaches focus attention on anxiety, diversity, conflict, unpredictability and paradox (Stacey, 2003). In highly complex environments and processes with emergent Long-term outcomes, the control and linearity associated with strategic management as suggested by theorists such as Steyn & Puth (2000), Harrison (2003), Smith (2002), and Ferguson (1999), are impossible. Postmodern approaches support paradoxes, ambiguity and uncertainty (Stacey, 2003). For example, managers should learn how to take action while experiencing the anxiety of unpredictability, and use the anxiety as energy for creativity. They are also encouraged to use the constraints associated with relationships as a form of self-organising control.

Stacey (2003) further suggests that complex interaction between people and groups make it impossible for change processes to be governed by top management through planned change processes. Interestingly, Stacey also makes it clear that it is not that management cannot, or should not, make decisions or choices, but rather that strategy should be an emerging process of relationship building. That is,

> *Strategic management is the process of actively participating in the conversations around important emerging issues. Strategic direction is not set in advance but understood in hindsight as it is emerging or after it has emerged (Stacey, 2003, p.423).*

Measurement, from the emergent perspective in this thesis, is focused on qualitative methodologies, participative action research and ethnographic research. Organisations can maintain strong relationships with stakeholders who will commit over the long term by conducting action research with full participation of all involved, constantly sharing open and honest information, and getting involved

in discussions and discourse regarding shared interests. The answer is not to be fixated on measurement, but to be more flexible in the acceptance of less positivistic approaches and to use participative research to achieve a deeper understanding of contexts and behaviour.

This study incorporates various fields: contributions towards the understanding of change is made from the perspectives of strategic management and public relations. Support towards the development of the study of relationships come from the fields of marketing, interpersonal relationships and public relations theory. A postmodernist interdisciplinary approach is called for where all fields of study are applied in understanding phenomena and there are no borders to prevent so called 'encroachment'.

The use of experimental randomised block design involving mixed factors with repeated measures is not a common research design in public relations research. This design was used because the research questions required the manipulation of independent variables (change strategies followed) in order to measure the influence thereof on the dependent variables (trust, control mutuality, commitment, and satisfaction). This provided a solid foundation from which to base future action research activities. There were however various limitations to the use of experimental design and these will be discussed as follows.

8.4 Limitations of this study

Although the findings of this study indicate strongly that the participation of employees will lead to more positive relationships with organisations, and thus to a higher willingness to change, it would be even more significant if these findings could be generalised to other stakeholders such as clients, communities, suppliers, government, the media, and financial stakeholders. While the initial intention was to include these stakeholders in the study, but time limit and funding did not allow this. Another hindrance was that too few responses were received from these parties to do any useful analysis on the data.

Another limitation, where change management is concerned, is that experimental cross-sectional research cannot provide the same depth of

information as qualitative longitudinal research. Within the traditional systems, theories formative causality applies; however, in heterogeneous complex adaptive systems, where environments and agents are changing all the time, causality is more transformative (Stacey, 2003). A system takes on a life of its own and 'wholeness' is never really fully achievable; 'wholes' are forever changing and evolving, and are never complete.

Furthermore, as this study approaches relationships as processes and not as states that can be measured at distinct points, longitudinal studies or, more specifically, action research would be better suited with the metatheoretical approach of emergent, interpretive, and critical theories. Participatory action research methodologies will be much better suited to further research on change management within complex environments. Participatory action research (PAR) involve the participants to the extent that these participants help to set the research agenda, participate in data gathering and processing, and share in decisions about the use of outcomes (Babbie & Mouton, 2001). Participants share ownership of the total research process. PAR furthermore has a strong emphasis on power sharing between the researcher and the researched. Action research is also a valuable tool in creating change while studying it. As Babbie & Mouton (Babbie & Mouton, 2001) point out, "PAR aims towards social change or transformation" (Babbie & Mouton, 2001, p.64), that is, where actions towards the upliftment and empowerment of people are the outcomes.

Further research should be conducted on behavioural effects by a more effective measuring instrument in order to ascertain a stronger relationship between change strategy, relationship outcomes and change behaviour.

Factors such as structure and type of organisation, as well as size of the organisation, should be further investigated. The educational level of the employees participating in the change management process should also be considered, and the precise influence of this variable needs further investigation

8.5 Recommendations for further research

Descriptive models of relationship management (Broom et al., 2000; Grunig & Huang, 2000) are becoming well established within public relations. Interpersonal theories have been well incorporated into relationship building and decline (Bruning & Ledingham, 2000; Ledingham & Bruning, 2000a; Toth, 2000). Grunig & Huang (2000) have presented a model for relationships, and Hon & Grunig (1999) have put together a measuring instrument to measure relationship outcomes. Three types of relationships, namely, community, professional and personal relationships, have been identified and tested by Bruning & Ledingham (2000). Ledingham has furthermore put together an explicated theory of relationships as a general theory of public relations (2003), thereby solidly establishing relationships as the appropriate domain of public relations. This study contributed by linking change and communication strategies to relationship outcomes, and applied the emergent approaches of chaos and complexity theories to relationships.

The next step would be to link change strategy and communication approach to relationship outcomes and, ultimately, to behavioural outcomes. Further research should be conducted on behavioural effects by using a more effective measuring instrument than was used in this study, in order to ascertain a stronger relationship between change strategy, relationship outcomes and change behaviour. Different strategies should be tested within different types and sizes of organisations using longitudinal action research. The education levels of participants should also be questioned and researched. This will provide practitioners with guidelines and frameworks within which they can build healthier relationships and facilitate change processes.

8.6 Summary and Conclusions

Pagels, a physicist, is

> *convinced that the nations and people who master the new sciences of complexity will become the economic, cultural, and political superpowers of the next century (cited in Youngblood, 1997, p. 33).*

In the new millennium of change and chaos, communication management can contribute greatly to organisations in achieving this. Communication managers will become relationship managers, facilitators, networkers, integrators and interpreters of information, not only within the organisation but also with publics outside the organisation (Marlow & O'Connor Wilson, 1997, p. 68). Communication managers should constantly strive towards creating media and channels to assist participation; furthermore, they should facilitate a two-way communication process in order to provide a climate that would benefit change initiatives. Employees, in particular, ought to be considered the most important of these stakeholders. Consider, for instance, how employees are directly influenced by their participation in the communication process, and how their attitudes and loyalty subsequently influence the way they treat customers and clients, which essentially affects the growth of the bottom line.

New responsibilities of communicating for the new millennium include: bridging differences, learning and understanding new ways of thinking, communicating within diversity, managing conflict (or sometimes even creating it), and functioning between different disciplines (Marlow & Wilson, 1997, p. 77). If relationships can be the strange attractor, or if constant change can be communicated as a strange attractor, it may become a core value. In other words, the culture does not have to be changed because transformation can occur without concentrating on cultural change.

Traditional and conventional strategic management approaches are linear in methodology, but the unpredictability of the business environment is so acute that managers are unable to control all the implementation of strategies and strategic plans. Long-term planning, therefore, becomes impractical and impossible (Singh & Singh, 2002, p. 29). As the chaos and complexity approaches demonstrate,

strategic management should be more about facilitation than management, which means that corporate communication managers should be more concerned with the building of relationships with stakeholders through the facilitation of participation than with 'strategic planning' and 'strategic management'. The role of the communication manager should, therefore, not be one of facilitator between management and stakeholders, or internal problem-solver, but one of organisational activist (Holtzhausen, 2000) – a fourth role to be added to the strategist, manager or technician roles identified by Steyn (2003). Furthermore, they should be involved with the facilitation of conflicts rather than the resolution of conflicts, thereby instigating dynamic instability. Communication managers should create and maintain channels for discourse by opening all information systems to allow self-regulation of communication. They should not seek unanimous control and equality, but should work towards allowing for diversity and different voices in order to keep the system creative and on the edge of chaos. Rather than measuring, they should try to understand the complexity of the environment and the interaction of all the different components of the organisation.

Again, the role of the communication manager is one of facilitator, but not as part of top management; that is, not to be perceived as a mouthpiece for management. The facilitator role should be one of negotiation between conflicting parties, as well as of conflict creator through the provision of channels and forums for discourse. The role should be strategic, but not as part of the management team, rather as one of outsider/agent and organisational critic (Holtzhausen, 2001). The communication manager should facilitate a climate of constant change, conflict and diversity, where the relationships management function becomes the 'strange attractor', keeping the organisation from entropy and instilling a culture of 'positive chaos' (Ströh, 1998).

If we think about the concept of 'relationship', and return to some of the basic relational theories, we will find some alternatives to linear strategic management processes. People are in relationships because they have a need to share and create something better for themselves than when they are alone. Handy (2002) refers to the reason for the existence of an organisation as not being simply for profit.

Similarly, Dave Packard (cited in Handy, 2002) believes that an organisation is a group of people who get together

> *to accomplish something collectively that they could not accomplish separately—they make a contribution to society, a phrase which sounds trite but is fundamental (cited in Handy, 2002, p. 36).*

More important still is that people get into relationships without planned strategies of how they are going to achieve success in those relationships. Relationships tend to be self-organising. Healthy relationships exist when a new entity is formed out of the togetherness of individuals, and the relationship becomes more important than these individual units. As High Prather puts it (cited in Adler & Towne, 2003):

> *For communication to have meaning it must have a life. It must transcend "you" and "me" and become "us".... In a small way we then grow out of our own selves and become something new (p. 314).*

Grunig & Huang (2000) refer to Ferguson's focus on the relationships in public relations, and emphasise that the focus should not be on the organisation nor the public, but on the relationship between them, which amounts to a kind of third party or entity in the relationship that takes a higher priority than the two individual parties. If an organisation can put the relationships with stakeholders first and not focus on its own bottom line, the relationship will give back a lot more, and the bottom line will look after itself. In essence, respect for the environment and for the stakeholders create exponential returns.

Another element of good interpersonal relationships that organisations can learn from is the principle of trust, which develops out of moral and ethical behaviour towards each other. In this sense, running an organisation is a moral issue (Handy, 2002). Organisations can have healthy relationships by being good citizens and by leading in areas such as "environmental and social sustainability" (Handy, 2002, p. 53). We do not constantly measure or plan our personal relationships, yet they happen and go well if we are good partners in those relationships. If we are ethical and moral, and if we share the same visions and values, we become part of growing, loving and trusting relationships. However, Handy (2002) also consoles that if we apply this to organisations, "doing good does not necessarily rule out making a reasonable profit" (p. 55).

Other interpersonal theories, such as the social penetration theory of Altman & Taylor, teach honest self-disclosure (cited in Griffin, 2003; Stafford & Canary, 1991), where companies learn by being totally transparent regarding financial statements and accountability. Relational dialectics (Adler & Towne, 2003) teach that relationships are full of paradoxes, and that there is a constant struggle between connectedness and individual separateness. While relationships are always in flux and full of complex contradictions, there is also growth and enjoyment, which is much in line with what the chaos approach teaches about organisational relationships (Wheatley, 1994; Stacey, 2003). In healthy interpersonal relationships, we listen to our partners, care about their problems, and try to reduce uncertainty (Littlejohn, 1992). The five dimensions of relationships developed by Stafford & Canary (1991): *positivity* (enjoyment and mutual satisfaction), *openness* (disclosure), *assurances* (commitment and assurances of legitimacy), *networking* (inter-connectedness), *shared meaning* and *responsibility*, compare very well with the requirements of a two-way symmetrical approach to public relations (Grunig & Huang, 2000).

In the same line, Toth (2000) calls for a return to a focus on the communication process rather than on the management process. Specifically, she argues that there has been a focus on management of relationships using communication, but not on the communication process at the centre of the public relations. Relationships management should happen on an interpersonal level with recognition of the importance of the strategic management of relationships between organisations and their publics.

A major paradigm shift needs to take place in terms of organisation and public opening up to views and inputs from each other. Ongoing research needs to consider the inputs from various disciplines and domains because new findings may impact on current views of relationships. Studies, such as that of Hibbard et al. (2001) from the field of relationships marketing, have warned that positive effects of relationships diminish over the long term, which raises serious concerns because this is a field whose central focus is on relationship building. Knowledge development needs to be shared between all disciplines that are concerned with the theories and practice of relationships. That is the only way that the field of

relationship management can grow and contribute fully to strategic management of organisations.

The postmodern ontology proposed in this thesis recognises that an organisation is not a unit of analysis, physical object or resource, but consists of complex relationships between the entities that make up the organisation. Postmodern communication management therefore ought to play an important role in empowering marginalised groups through participation. Furthermore, it ought to create dialogue and recognise differences and dissension between the organisation and its publics. This thesis therefore argues for a more participative approach with high ethical and moral meaning creation through action science and research, rather than structured approaches practised by current corporate communication theorists. This approach will ensure a positive reputation for the organisation through socially responsible strategy-making, which will have relational influences upon the larger societal community structure.

It needs reiterating that employees are the most important stakeholders to consider because they are the most precious assets of any organisation. The attitudes and loyalty of employees are directly influenced by their participation in communication efforts, and this has a direct influence on how they treat customers and clients, which in turn leads to growth of the bottom line. At the same time, it is important for managers to investigate the paradoxes of different kinds of approaches and the merits of all. If managers could muster the strength to face the complex inconsistencies and impossibilities of making use of change management approaches that ensure economic growth, while at the same time build organisational capability, they will be successful in gaining competitive advantage. These emergent types of change management processes will contribute to caring organisations, which could bring about a cumulative effect of global proportion. Managers should provide the channels and facilitate dialogue and discourse emanating from these paradoxes. Providing forums for discussions will create knowledge-sharing cultures, and allowing experimentation through scenario planning could also establish living laboratories in organisations. Participatory structures would bring science into practice and close the gap between researchers and practitioners. This is the only way we can share knowledge to make us truly conscious of the reality of our organisations and our society. Organisations can

provide us with platforms for true democracy such that they are not merely corporations which exist to make money, but rather to contribute to a humane and ethical civilization. As Saul (1997) has put quite eloquently,

> *The virtue of uncertainty is not a comfortable idea, but then a citizen-based democracy is built upon participation, which is the very expression of permanent discomfort. The corporatist system depends upon the citizen's desire for inner comfort. Equilibrium is dependent upon our recognition of reality, which is the acceptance of permanent psychic discomfort. And the acceptance of psychic discomfort is the acceptance of consciousness (1997, p. 195).*

Appendix A: Pre-test Scenario A

An experimental study of Organisational Change and Communication Management – Pre-test Questionnaire Scenario 1

Please consider the following scenario and rate the key words on the scales below as indicated, in terms of how you view this organisation and the change process it is going through:

Scenario 1: This organisation is going through a major change process. The change is structured and the process is planned in detail with specified objectives to be reached within a given time span and a carefully planned budget. The decisions surrounding the changes are made by top management and communicated to all employees. The changes are mostly infrastructural/tangible changes. Top management are management orientated and a change management team is assigned by management to manage the process. The process is monitored throughout by management, measuring performance against strictly set goals. Problems associated with the changes are controlled immediately to avoid unnecessary conflicts and waste of money. Management gives recognition for the achievement of set goals. Management controls all information and relevant and essential information is communicated.

Change								
Structured	1	2	3	4	5	6	7	Flexible and continuous
Managed by								
Process with set goals	1	2	3	4	5	6	7	Outcomes based
Communication								
Downward	1	2	3	4	5	6	7	All directions
Decision-making								
Management	1	2	3	4	5	6	7	Employees
Change type								
Change – structural	1	2	3	4	5	6	7	Transformation/ cultural
Environment								
Predictable/stable	1	2	3	4	5	6	7	Fast changing/turbulent
Top management								
Management orientated	1	2	3	4	5	6	7	Leadership orientated
Change managers								
Change management team assigned by management	1	2	3	4	5	6	7	Employees assign change leaders
Monitoring								
Tightly and easily monitored according to goals	1	2	3	4	5	6	7	Employees give feedback and share information
Problems managed								
Controlled	1	2	3	4	5	6	7	Managed constructively
Conflicts								
Are avoided	1	2	3	4	5	6	7	Allowed & creatively managed
Time and money								
No waste	1	2	3	4	5	6	7	Long-term view

Information								
Management control – only relevant and essential information communicated	**1**	**2**	**3**	**4**	**5**	**6**	**7**	Complete openness and transparency of information
Driven by								
Goals	**1**	**2**	**3**	**4**	**5**	**6**	**7**	Vision
Evaluation								
Management measures against set goals and provides recognition	**1**	**2**	**3**	**4**	**5**	**6**	**7**	Peer evaluation provides award system for changes in behaviour

Appendix B: Pre-test Scenario B

An experimental study of Organisational Change and Communication Management – Pre-test Questionnaire Scenario 2

Please consider the following scenario and rate the key words on the scales below as indicated, in terms of how you view this organisation and the change process it is going through:

Scenario 2: This organisation is going through a major change process. The change is flexible and continuous, and the process is managed according to desired outcomes and a vision set by all those involved in the process. The decisions surrounding the changes are made by relevant employees involved in the changes, and communicated freely in all directions. The changes are mostly transformational involving cultural intangible changes. Top management are leadership orientated and a change management team is assigned by employees to lead the process. The process is monitored throughout by getting feedback and sharing information with all parties involved and problems associated with the changes are managed by allowing conflicts and managing it creatively. Peer evaluation provides award system for changes in behaviour. The process is characterised by complete openness and transparency.

Change								
Structured	1	2	3	4	5	6	7	Flexible and continuous
Managed by								
Process with set goals	1	2	3	4	5	6	7	Outcomes based
Communication								
Downward	1	2	3	4	5	6	7	All directions
Decision-making								
Management	1	2	3	4	5	6	7	Employees
Change type								
Change – structural	1	2	3	4	5	6	7	Transformation/ cultural
Environment								
Predictable/stable	1	2	3	4	5	6	7	Fast changing/turbulent
Top management								
Management orientated	1	2	3	4	5	6	7	Leadership orientated
Change managers								
Change management team assigned by management	1	2	3	4	5	6	7	Employees assign change leaders
Monitoring								
Tightly and easily monitored according to goals	1	2	3	4	5	6	7	Employees give feedback and share information
Problems managed								
Controlled	1	2	3	4	5	6	7	Managed constructively
Conflicts								
Are avoided	1	2	3	4	5	6	7	Allowed & creatively managed
Time and money								
No waste	1	2	3	4	5	6	7	Long-term view

Information								
Management control – only relevant and essential information communicated	**1**	**2**	**3**	**4**	**5**	**6**	**7**	Complete openness and transparency of information
Driven by								
Goals	**1**	**2**	**3**	**4**	**5**	**6**	**7**	Vision
Evaluation								
Management measures against set goals and provides recognition	**1**	**2**	**3**	**4**	**5**	**6**	**7**	Peer evaluation provides award system for changes in behaviour

Appendix C: Questionnaire A

Respondent No.			
Organisation			
Questionnaire A			

Universiteit van Pretoria

> **An experimental study of Organisational Change and Communication Management – Questionnaire**

Dear respondent,

I appreciate your willingness to help me with my research. I am a PhD student at the University of Pretoria and need this research in order to complete my degree. The findings of this research will also be used to attempt to improve communication and relationships between organisations and different stakeholders during transformation and change. This could ultimately lead to higher productivity and the resulting enhancement of the quality of living of all South Africans.

I would like to request that you fill this in as soon as possible as I would like to have all the questionnaires returned by the **second week in November 2000** in order to complete my studies by the end of the year. I thank you in advance for assisting me with this major goal and hope that you will also ultimately gain from this research.

Kind regards,
Ursula Ströh

Senior Lecturer in Communication Management
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University Of Pretoria

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**An experimental study of Organisational Change and
Communication Management – Questionnaire**

Please read the following scenarios:

Scenario A: This organisation is going through a major change process. The change is structured and the process is planned in detail with specified objectives to be reached within a given time span and a carefully planned budget. The decisions surrounding the changes are made by top management and communicated to all employees. The changes are mostly infrastructural/tangible changes. Top management are management orientated and a change management team is assigned by management to manage the process. The process is monitored throughout by management, measuring performance against strictly set goals. Problems associated with the changes are controlled immediately to avoid unnecessary conflicts and waste of money. Management gives recognition for the achievement of set goals. Management controls all information and only relevant and essential information is communicated.

Scenario B: This organisation is going through a major change process. The change is flexible and continuous, and the process is managed according to desired outcomes and a vision set by all those involved in the process. The decisions surrounding the changes are made by relevant employees involved in the changes, and communicated freely in all directions. The changes are mostly transformational involving cultural intangible changes. Top management are leadership orientated and a change management team is assigned by employees to lead the process. The process is monitored throughout by getting feedback and sharing information with all parties involved and problems associated with the changes are managed by allowing conflicts and managing it creatively. Peer evaluation provides the award system for changes in behaviour. The process is characterised by complete openness and transparency.

Now, please consider the following scenario again **carefully** and then answer the questions by circling the appropriate number that best describes your reaction to the various statements:

> **Scenario A**: This organisation is going through a major change process. The change is structured and the process is planned in detail with specified objectives to be reached within a given time span and a carefully planned budget. The decisions surrounding the changes are made by top management and communicated to all employees. The changes are mostly infrastructural/tangible changes. Top management are management orientated and a change management team is assigned by management to manage the process. The process is monitored throughout by management, measuring performance against strictly set goals. Problems associated with the changes are controlled immediately to avoid unnecessary conflicts and waste of money. Management gives recognition for the achievement of set goals. Management controls all information and only relevant and essential information is communicated.

		Don't agree at all					Totally agree	
1	This organisation treats people like me fairly and justly	1	2	3	4	5	6	7
2	Whenever this organisation makes an important decision, I know it will be concerned about people like me	1	2	3	4	5	6	7
3	This organisation can be relied on to keep its promises	1	2	3	4	5	6	7
4	I believe that this organisation takes the opinions of people like me into account when making decisions	1	2	3	4	5	6	7
5	I feel very confident about this organisation's skills	1	2	3	4	5	6	7
6	This organisation has the ability to accomplish what it says it will do	1	2	3	4	5	6	7
7	This organisation and people like me are attentive to what each other say	1	2	3	4	5	6	7
8	This organisation believes the opinions of people like me are legitimate	1	2	3	4	5	6	7

9	In dealing with people like me, this organisation has a tendency to throw its weight around	1	2	3	4	5	6	7
10	This organisation really listens to what people like me have to say	1	2	3	4	5	6	7
11	The management of this organisation gives people like me enough say in the decision-making process	1	2	3	4	5	6	7
12	I feel that this organisation is trying to maintain a long-term commitment to people like me	1	2	3	4	5	6	7
13	I can see that this organisation wants to maintain a relationship with people like me	1	2	3	4	5	6	7
14	There is a long lasting bond between this organisation and people like me	1	2	3	4	5	6	7
15	Compared to other organisations, I value my relationship with this organisation more	1	2	3	4	5	6	7
16	I would rather work together with this organisation than not	1	2	3	4	5	6	7
17	I am happy with this organisation	1	2	3	4	5	6	7
18	Both the organisation and people like me benefit from the relationship	1	2	3	4	5	6	7
19	Most people like me are happy in their interactions with this organisation	1	2	3	4	5	6	7
20	Generally speaking, I am pleased with the relationship this organisation has established with people like me	1	2	3	4	5	6	7
21	Most people enjoy dealing with this organisation	1	2	3	4	5	6	7

(Answer each statement according to how much you agree to each item describing your relationship with the organisation portrayed in the above scenario where 1 = **Don't agree at all with this statement** and **7 = Totally agree with this statement**)

Indicate on the following scale how willing you would be to change your behaviour if this scenario occurs:

I am willing to change my behaviour according to:								
the requirements of the organisation in this scenario	**1**	**2**	**3**	**4**	**5**	**6**	**7**	what I think the situation requires of me
I will change my behaviour:								
within the time frame set by the organisation	**1**	**2**	**3**	**4**	**5**	**6**	**7**	as fast as I think the situation requires of me
I will change as far as:								
this organisation wants me to change	**1**	**2**	**3**	**4**	**5**	**6**	**7**	I think the situation requires of me
I am willing to do:								
what the organisation wants me to do	**1**	**2**	**3**	**4**	**5**	**6**	**7**	what I believe the situation requires of me

Without rereading the scenario at the beginning of the questionnaire, indicate on this scale how you would describe the organisation in the first scenario (A) and the change process being followed in terms of:

Change:								
Structured and planned	1	2	3	4	5	6	7	Flexible and continuous
Communication:								
Downward	1	2	3	4	5	6	7	All directions
Decision-making:								
Management	1	2	3	4	5	6	7	Employees
Change managers:								
Change management team assigned by management	1	2	3	4	5	6	7	Employees assign change leaders
Conflicts:								
Are avoided	1	2	3	4	5	6	7	Allowed & creatively managed
Information:								
Management control – only relevant and essential information communicated	1	2	3	4	5	6	7	Complete openness and transparency of information
Evaluation:								
Management measures against set goals and provides recognition	1	2	3	4	5	6	7	Peer evaluation provides award system for changes in behaviour

We are going to repeat the same process now with the other scenario. Please consider this scenario **carefully** as it differs from the previous scenario, and answer the questions by circling the appropriate number that best describes your reaction to the various statements:

Scenario B: This organisation is going through a major change process. The change is flexible and continuous, and the process is managed according to desired outcomes and a vision set by all those involved in the process. The decisions surrounding the changes are made by relevant employees involved in the changes, and communicated freely in all directions. The changes are mostly transformational involving cultural intangible changes. Top management are leadership orientated and a change management team is assigned by employees to lead the process. The process is monitored throughout by getting feedback and sharing information with all parties involved and problems associated with the changes are managed by allowing conflicts and managing it creatively. Peer evaluation provides the award system for changes in behaviour. The process is characterised by complete openness and transparency.

(Answer each statement according to how much you agree to each item describing your relationship with <u>the organisation portrayed in the above scenario</u> where 1 = **Don't agree at all with this statement** and **7 = Totally agree with this statement**)

		Don't agree at all ←——→ Totally agree						
1	This organisation treats people like me fairly and justly	1	2	3	4	5	6	7
2	Whenever this organisation makes an important decision, I know it will be concerned about people like me	1	2	3	4	5	6	7
3	This organisation can be relied on to keep its promises	1	2	3	4	5	6	7
4	I believe that this organisation takes the opinions of people like me into account when making decisions	1	2	3	4	5	6	7
5	I feel very confident about this organisation's skills	1	2	3	4	5	6	7
6	This organisation has the ability to accomplish what it says it will do	1	2	3	4	5	6	7
7	This organisation and people like me are attentive to what each other say	1	2	3	4	5	6	7
8	This organisation believes the opinions of people like me are legitimate	1	2	3	4	5	6	7
9	In dealing with people like me, this organisation has a tendency to throw its weight around	1	2	3	4	5	6	7
10	This organisation really listens to what people like me have to say	1	2	3	4	5	6	7
11	The management of this organisation gives people like me enough say in the decision-making process	1	2	3	4	5	6	7
12	I feel that this organisation is trying to maintain a long-term commitment to people like me	1	2	3	4	5	6	7
13	I can see that this organisation wants to maintain a relationship with people like me	1	2	3	4	5	6	7
14	There is a long lasting bond between this organisation and people like me	1	2	3	4	5	6	7
15	Compared to other organisations, I value my relationship with this organisation more	1	2	3	4	5	6	7

		Don't agree ⟷ Totally agree						
16	I would rather work together with this organisation than not	1	2	3	4	5	6	7
17	I am happy with this organisation	1	2	3	4	5	6	7
18	Both the organisation and people like me benefit from the relationship	1	2	3	4	5	6	7
19	Most people like me are happy in their interactions with this organisation	1	2	3	4	5	6	7
20	Generally speaking, I am pleased with the relationship this organisation has established with people like me	1	2	3	4	5	6	7
21	Most people enjoy dealing with this organisation	1	2	3	4	5	6	7

Indicate on the following scale how willing you would be to change your behaviour if this second scenario occurs:

I am willing to change my behaviour according to:								
the requirements of the organisation in this scenario	1	2	3	4	5	6	7	what I think the situation requires of me
I will change my behaviour:								
within the time frame set by the organisation	1	2	3	4	5	6	7	as fast as I think the situation requires of me
I will change as far as:								
this organisation wants me to change	1	2	3	4	5	6	7	I think the situation requires of me
I am willing to do:								
what the organisation wants me to do	1	2	3	4	5	6	7	what I believe the situation requires of me

Without rereading the second scenario of the questionnaire, indicate on this scale how you would describe the organisation in this second scenario and the change process being followed in terms of:

Change:								
Structured and planned	1	2	3	4	5	6	7	Flexible and continuous
Communication:								
Downward	1	2	3	4	5	6	7	All directions
Decision-making:								
Management	1	2	3	4	5	6	7	Employees
Change managers:								
Change management team assigned by management	1	2	3	4	5	6	7	Employees assign change leaders
Conflicts:								
Are avoided	1	2	3	4	5	6	7	Allowed & creatively managed
Information:								
Management control – only relevant and essential information communicated	1	2	3	4	5	6	7	Complete openness and transparency of information
Evaluation:								
Management measures against set goals and provides recognition	1	2	3	4	5	6	7	Peer evaluation provides award system for changes in behaviour

Now that we have gone through both scenarios, please carefully consider which of the two scenarios best describes the change approach followed in the organisation you work for?

Scenario A	
Scenario B	

Has the organisation you work for been through major changes recently?

YES	
NO	

Finally we would like to ask you a few classification questions:

Highest educational level:

Standard 10/Grade 12 - Matric	
Diploma	
B Tech degree	
University degree	
Higher diploma	
Post graduate	
Other:	

Years employed in this organisation?

years

Level in this organisation?

Top management	
Higher management	
Middle management	
Entry level management	
Non-managerial	

What is your designation?

I thank you again for your kind assistance.

Appendix D: Questionnaire B

Respondent No.			
Organisation			
Questionnaire B			

Universiteit van Pretoria

**An experimental study of Organisational Change and
Communication Management – Questionnaire**

Dear respondent,

I appreciate your willingness to help me with my research. I am a PhD student at the University of Pretoria and need this research in order to complete my degree. The findings of this research will also be used to attempt to improve communication and relationships between organisations and different stakeholders during transformation and change. This could ultimately lead to higher productivity and the resulting enhancement of the quality of living of all South Africans.

I would like to request that you fill this in as soon as possible as I would like to have all the questionnaires returned by the **second week in November 2000** in order to complete my studies by the end of the year. I thank you in advance for assisting me with this major goal and hope that you will also ultimately gain from this research.

Kind regards,
Ursula Ströh

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Fax number: +27(12) 362-5085 (w)
Email address: ustroh@hakuna.up.ac.za

**An experimental study of Organisational Change and
Communication Management – Questionnaire**

Please read the following scenarios:

Scenario A: This organisation is going through a major change process. The change is flexible and continuous, and the process is managed according to desired outcomes and a vision set by all those involved in the process. The decisions surrounding the changes are made by relevant employees involved in the changes, and communicated freely in all directions. The changes are mostly transformational involving cultural intangible changes. Top management are leadership orientated and a change management team is assigned by employees to lead the process. The process is monitored throughout by getting feedback and sharing information with all parties involved and problems associated with the changes are managed by allowing conflicts and managing it creatively. Peer evaluation provides the award system for changes in behaviour. The process is characterised by complete openness and transparency.

Scenario B: This organisation is going through a major change process. The change is structured and the process is planned in detail with specified objectives to be reached within a given time span and a carefully planned budget. The decisions surrounding the changes are made by top management and communicated to all employees. The changes are mostly infrastructural/tangible changes. Top management are management orientated and a change management team is assigned by management to manage the process. The process is monitored throughout by management, measuring performance against strictly set goals. Problems associated with the changes are controlled immediately to avoid unnecessary conflicts and waste of money. Management gives recognition for the achievement of set goals. Management controls all information and only relevant and essential information is communicated.

Now, please consider the following scenario again **carefully** and then answer the questions by circling the appropriate number that best describes your reaction to the various statements:

> **Scenario A**: This organisation is going through a major change process. The change is flexible and continuous, and the process is managed according to desired outcomes and a vision set by all those involved in the process. The decisions surrounding the changes are made by relevant employees involved in the changes, and communicated freely in all directions. The changes are mostly transformational involving cultural intangible changes. Top management are leadership orientated and a change management team is assigned by employees to lead the process. The process is monitored throughout by getting feedback and sharing information with all parties involved and problems associated with the changes are managed by allowing conflicts and managing it creatively. Peer evaluation provides the award system for changes in behaviour. The process is characterised by complete openness and transparency.

(Answer each statement according to how much you agree to each item describing your relationship with <u>the organisation portrayed in the above scenario</u> where 1 = **Don't agree at all with this statement** and **7 = Totally agree with this statement**)

		Don't agree at all ⟷ Totally agree						
1	This organisation treats people like me fairly and justly	1	2	3	4	5	6	7
2	Whenever this organisation makes an important decision, I know it will be concerned about people like me	1	2	3	4	5	6	7
3	This organisation can be relied on to keep its promises	1	2	3	4	5	6	7
4	I believe that this organisation takes the opinions of people like me into account when making decisions	1	2	3	4	5	6	7
5	I feel very confident about this organisation's skills	1	2	3	4	5	6	7
6	This organisation has the ability to accomplish what it says it will do	1	2	3	4	5	6	7
7	This organisation and people like me are attentive to what each other say	1	2	3	4	5	6	7
8	This organisation believes the opinions of people like me are legitimate	1	2	3	4	5	6	7

		Don't agree at all					Totally agree	
9	In dealing with people like me, this organisation has a tendency to throw its weight around	1	2	3	4	5	6	7
10	This organisation really listens to what people like me have to say	1	2	3	4	5	6	7
11	The management of this organisation gives people like me enough say in the decision-making process	1	2	3	4	5	6	7
12	I feel that this organisation is trying to maintain a long-term commitment to people like me	1	2	3	4	5	6	7
13	I can see that this organisation wants to maintain a relationship with people like me	1	2	3	4	5	6	7
14	There is a long lasting bond between this organisation and people like me	1	2	3	4	5	6	7
15	Compared to other organisations, I value my relationship with this organisation more	1	2	3	4	5	6	7
16	I would rather work together with this organisation than not	1	2	3	4	5	6	7
17	I am happy with this organisation	1	2	3	4	5	6	7
18	Both the organisation and people like me benefit from the relationship	1	2	3	4	5	6	7
19	Most people like me are happy in their interactions with this organisation	1	2	3	4	5	6	7
20	Generally speaking, I am pleased with the relationship this organisation has established with people like me	1	2	3	4	5	6	7
21	Most people enjoy dealing with this organisation	1	2	3	4	5	6	7

Indicate on the following scale how willing you would be to change your behaviour if this scenario occurs:

I am willing to change my behaviour according to:								
the requirements of the organisation in this scenario	**1**	**2**	**3**	**4**	**5**	**6**	**7**	what I think the situation requires of me
I will change my behaviour:								
within the time frame set by the organisation	**1**	**2**	**3**	**4**	**5**	**6**	**7**	as fast as I think the situation requires of me
I will change as far as:								
this organisation wants me to change	**1**	**2**	**3**	**4**	**5**	**6**	**7**	I think the situation requires of me
I am willing to do:								
what the organisation wants me to do	**1**	**2**	**3**	**4**	**5**	**6**	**7**	what I believe the situation requires of me

Without rereading the scenario at the beginning of the questionnaire, indicate on this scale how you would describe the organisation in the first scenario (A) and the change process being followed in terms of:

Change:								
Structured and planned	1	2	3	4	5	6	7	Flexible and continuous
Communication:								
Downward	1	2	3	4	5	6	7	All directions
Decision-making:								
Management	1	2	3	4	5	6	7	Employees
Change managers:								
Change management team assigned by management	1	2	3	4	5	6	7	Employees assign change leaders
Conflicts:								
Are avoided	1	2	3	4	5	6	7	Allowed & creatively managed
Information:								
Management control – only relevant and essential information communicated	1	2	3	4	5	6	7	Complete openness and transparency of information
Evaluation:								
Management measures against set goals and provides recognition	1	2	3	4	5	6	7	Peer evaluation provides award system for changes in behaviour

We are going to repeat the same process now with the other scenario. Please consider this scenario **carefully** as it differs from the previous scenario, and answer the questions by circling the appropriate number that best describes your reaction to the various statements:

Scenario B: This organisation is going through a major change process. The change is structured and the process is planned in detail with specified objectives to be reached within a given time span and a carefully planned budget. The decisions surrounding the changes are made by top management and communicated to all employees. The changes are mostly infrastructural/tangible changes. Top management are management orientated and a change management team is assigned by management to manage the process. The process is monitored throughout by management, measuring performance against strictly set goals. Problems associated with the changes are controlled immediately to avoid unnecessary conflicts and waste of money. Management gives recognition for the achievement of set goals. Management controls all information and only relevant and essential information is communicated.

(Answer each statement according to how much you agree to each item describing your relationship with <u>the organisation portrayed in the above scenario</u> where 1 = **Don't agree at all with this statement** and **7 = Totally agree with this statement**)

		Don't agree at all			⟷		Totally agree	
1	This organisation treats people like me fairly and justly	1	2	3	4	5	6	7
2	Whenever this organisation makes an important decision, I know it will be concerned about people like me	1	2	3	4	5	6	7
3	This organisation can be relied on to keep its promises	1	2	3	4	5	6	7
4	I believe that this organisation takes the opinions of people like me into account when making decisions	1	2	3	4	5	6	7
5	I feel very confident about this organisation's skills	1	2	3	4	5	6	7
6	This organisation has the ability to accomplish what it says it will do	1	2	3	4	5	6	7
7	This organisation and people like me are attentive to what each other say	1	2	3	4	5	6	7
8	This organisation believes the opinions of people like me are legitimate	1	2	3	4	5	6	7
9	In dealing with people like me, this organisation has a tendency to throw its weight around	1	2	3	4	5	6	7
10	This organisation really listens to what people like me have to say	1	2	3	4	5	6	7
11	The management of this organisation gives people like me enough say in the decision-making process	1	2	3	4	5	6	7
12	I feel that this organisation is trying to maintain a long-term commitment to people like me	1	2	3	4	5	6	7
13	I can see that this organisation wants to maintain a relationship with people like me	1	2	3	4	5	6	7
14	There is a long lasting bond between this organisation and people like me	1	2	3	4	5	6	7
15	Compared to other organisations, I value my relationship with this organisation more	1	2	3	4	5	6	7

		Don't agree at all					Totally agree	
16	I would rather work together with this organisation than not	1	2	3	4	5	6	7
17	I am happy with this organisation	1	2	3	4	5	6	7
18	Both the organisation and people like me benefit from the relationship	1	2	3	4	5	6	7
19	Most people like me are happy in their interactions with this organisation	1	2	3	4	5	6	7
20	Generally speaking, I am pleased with the relationship this organisation has established with people like me	1	2	3	4	5	6	7
21	Most people enjoy dealing with this organisation	1	2	3	4	5	6	7

Indicate on the following scale how willing you would be to change your behaviour if this second scenario occurs:

I am willing to change my behaviour according to:							
the requirements of the organisation in this scenario	**1**	**2**	**3**	**4**	**5**	**6**	**7**	what I think the situation requires of me
I will change my behaviour:							
within the time frame set by the organisation	**1**	**2**	**3**	**4**	**5**	**6**	**7**	as fast as I think the situation requires of me
I will change as far as:							
this organisation wants me to change	**1**	**2**	**3**	**4**	**5**	**6**	**7**	I think the situation requires of me
I am willing to do:							
what the organisation wants me to do	**1**	**2**	**3**	**4**	**5**	**6**	**7**	what I believe the situation requires of me

Without rereading the second scenario of the questionnaire, indicate on this scale how you would describe the organisation in this second scenario and the change process being followed in terms of:

Change:								
Structured and planned	**1**	**2**	**3**	**4**	**5**	**6**	**7**	Flexible and continuous
Communication:								
Downward	**1**	**2**	**3**	**4**	**5**	**6**	**7**	All directions
Decision-making:								
Management	**1**	**2**	**3**	**4**	**5**	**6**	**7**	Employees
Change managers:								
Change management team assigned by management	**1**	**2**	**3**	**4**	**5**	**6**	**7**	Employees assign change leaders
Conflicts:								
Are avoided	**1**	**2**	**3**	**4**	**5**	**6**	**7**	Allowed & creatively managed
Information:								
Management control – only relevant and essential information communicated	**1**	**2**	**3**	**4**	**5**	**6**	**7**	Complete openness and transparency of information
Evaluation:								
Management measures against set goals and provides recognition	**1**	**2**	**3**	**4**	**5**	**6**	**7**	Peer evaluation provides award system for changes in behaviour

Now that we have gone through both scenarios, please carefully consider which of the two scenarios best describes the change approach followed in the organisation you work for?

Scenario A	
Scenario B	

Has the organisation you work for been through major changes recently?

YES	
NO	

Finally we would like to ask you a few classification questions:

Highest educational level:

Standard 10/Grade 12 - Matric	
Diploma	
B Tech degree	
University degree	
Higher diploma	
Post graduate	
Other:	

Years employed in this organisation?

years

Level in this organisation?

Top management	
Higher management	
Middle management	
Entry level management	
Non-managerial	

What is your designation?

I thank you again for your kind assistance.

Postscript

'n D?

Boom se bas
skilfer af
die binnekant ontbloot
weer en wind se verweer

Ek struikel voort -
probeer net sin maak
maar skryf 'n D
in die middel van hierdie donker nag!

Elke woord en aksie
'n moskombers
om die 'feite'
te probeer vertel?
Nee, 'n sepie
wat mense laat
wonder oor die post-modernisme
van hiper-realiteit
of wetenskap
of verwysing
of subjektiwitet van die chaos-teorie

Ek sal oorleef
al moet ek die Mount Everest
alleen uit!
Ek sal oorleef
met 'n D in my rugsak!

Ek sal oorleef!

11 Oktober 2000

Procrastination

…and I find everything else to do
…ridiculous!!!!
This mountain is only mine
- only my lonely struggle
- only my sacred fights
with these thoughts
these words
- the essence of academia
The turmoil of every paragraph
arduously every chapter
frustrating to find meaning

Chaotically I refer
to everyone
who thought they knew, and did
integrating their labour.

I'm still trying to find
focal point of theory
choking in phenomenology…
I strive to see a unique thing
some new approach
a little contribution
to intellectualism.

Change the world!
Leave a legacy!
Ha!!

For what?
…to be more than I am
to do something worthy
to get recognition
self-aggrandizing?

I dream of a place
cyber space in a brain
where perfection is the paradox
within the sacred sphere
creating knowledge
and making a difference
eloquently deconstructing
the upside-down puzzle
obtaining a degree…

For what?
To prove that I can?
To Know?
To be…

A PhD!?

27 April 2001

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